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50TH CONGRESS, 2d Session. } HOUSE OF REPRESENTATIVES. { REPORT No. 4147.

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LABOR TROUBLES

IN THE

ANTHRACITE REGIONS

OF

PENNSYLVANIA.

1887–1888.

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50TH CONGRESS, } HOUSE OF REPRESENTATIVES. { REPORT
2d Session. } { No. 4147.

INVESTIGATION OF LABOR TROUBLES IN PENNSYLVANIA.

[To accompany bill H. R. 12654.]

FEBRUARY 27, 1889.—Referred to the House Calendar and ordered to be printed.

Mr. TILLMAN, from the Select Committee on Existing Labor Troubles in Pennsylvania, submitted the following report, with the separate views of the minority:

The resolutions of the House authorizing the appointment of the committee are as follows:

On the 17th of January, 1888,

Mr. ANDERSON, of Kansas, offered the following resolution; which was read and referred to the Committee on Commerce:

> *Resolved*, That the Committee on Commerce is hereby empowered and directed to investigate forthwith the extent, causes, and effect upon interstate commerce of the continued failure by the Reading Railroad Company to transport such traffic, and to report to the House by bill or otherwise for consideration at any time such legislation as is necessary to secure to the public the regular and complete execution by a railroad company of its obligations to serve as a common carrier of interstate commerce.
>
> Such investigations may be made by a subcommittee at such places as it shall deem proper, and the said committee, or subcommittee, is hereby authorized to send for and examine persons, books, and papers, and administer oaths to witnesses, and to employ a messenger and stenographer; and the expenses of said investigation, not to exceed $5,000, are hereby authorized to be paid out of the contingent fund of the House in the manner now provided by law.

The Committee on Commerce kept the matter under consideration until February 2, 1888, when it reported the resolution favorably to the House, but suggested amendments which, after discussion participated in by Messrs. Anderson of Kansas, Clardy, Brumm, Rayner, Randall, and others, resulted in the passage of the resolution in the following amended form:

> *Resolved*, That a special committee of five of the House of Representatives be appointed to investigate forthwith the extent, causes, and effect upon interstate [illegible] of the continued failure by the Reading Railroad Company to transport [illegible] commerce, and to report to the House, by bill or otherwise, for consideration at any time, such legislation as is necessary to secure to the public the regular and complete execution by a railroad company of its obligations to serve as a common carrier of interstate commerce, and to investigate the difficulties existing in the Schuylkill and Lehigh coal regions of Pennsylvania between the corporations mining coal and their miners, and to further investigate all the facts in relation to the mining corporations and individual miners of anthracite coal in connection therewith, and all the facts in relation to the matter, and report the same to the House, with such recommendations as the committee may agree upon; and that said committee be authorized to sit during the session of the House, and at such places as it may find necessary; to employ a stenographer, to administer oaths, examine witnesses, compel the attendance of persons, and the production of books and papers; and the expense of such investigation shall be paid out of the contingent fund of the House.

On the 9th of February, 1888, the Speaker announced the following-named members as the select committee authorized by the foregoing resolution:

G. D. Tillman, of South Carolina; W. J. Stone, of Missouri; J. Logan Chipman, of Michigan; John A. Anderson, of Kansas; and A. X. Parker, of New York.

On February 10, 1888, the following additional resolutions were introduced by Mr. Anderson, of Kansas, and adopted by the House:

Resolved, That a sum not to exceed $5,000, sufficient to pay the expenses of the special committee of the House appointed to investigate the extent, causes, and effect upon interstate commerce of the continued failure of the Reading Railroad Company to transport such commerce, etc., shall be immediately available and payable out of the contingent fund of the House on the order of the chairman and one member of said committee, in sums not exceeding $1,000 at one time; and all vouchers for any such expenditures shall be likewise certified to by the chairman and one member of the committee.

Resolved, That said special committee be authorized to employ a clerk.

The committee proceeded at once to organize and get to work. Testimony was first taken at Washington, and then at Philadelphia, Pottsville, Shenandoah, and Hazelton, in Pennsylvania; and after returning to Washington, one witness—Hon. Eckley B. Coxe, of Drifton, Pa., whose evidence was deemed very important, was summoned to the National Capital and a whole day spent in his examination. Three entire days were consumed in taking testimony at Washington and eight whole days were occupied in examining witnesses in Pennsylvania.

Thirty-seven witnesses were carefully questioned and cross-questioned and six of them were recalled for further questioning, besides which a good deal of germane documentary and statistical evidence was procured.

The provisions of the resolution creating the committee are very comprehensive and imposed three onerous duties upon it:

First.—To investigate forthwith the extent, causes, and effect upon interstate commerce of the continued failure by the Reading Railroad Company to transport such commerce.

Second.—To investigate the difficulties existing in the Schuylkill and Lehigh anthracite regions of Pennsylvania between the corporations and individuals mining coal and the miners, and to further investigate all the facts in relation to the matter.

Third.—To report the same to the House with such recommendations as the committee may agree upon [and also] to report to the House by bill or otherwise, for consideration at any time such legislation as is necessary to secure to the public the regular and complete execution by a railroad company of its obligation to serve as a common carrier of interstate commerce.

The testimony taken by the committee is herewith submitted in full.

After careful investigation and reflection your committee is unanimously of the opinion that most of the recent labor troubles in the anthracite regions of Pennsylvania arise from the railroads in that section being permitted to mine as well as transport coal.

The evils which result from such inconsistent joint business are many and grievous. All classes of the community are injured by it. A coal operator disconnected with coal transportation will naturally put out all the coal he can at a reasonable profit, which tends to cheapen the article to the public. So, too, a coal carrier having no connection with mining will seek to move all the coal he can at a fair profit, which operates to keep coal at a just price to the consumer, whose interests should be paramount to all others. But the functions of coal extracting and coal carrying when blended in the same person or corporation are antagonistic to the interest of both the coal consumer and the coa operator, where the latter has no transportation facilities under hi own control, because the man who combines the double business o carrying and mining has a virtual monopoly of the output, the transportation, and the price.

It was by getting possession, almost without regard to cost, of nearly all the routes of transportation by water or rail from the mines to market and then freezing out the private mine operators, either by putting down the price of coal at the mines or by limiting the supply of cars or by charging high freights, that the Philadelphia and Reading Railroad Company has been enabled within, say, the last eighteen years to obtain practical control of the Schuylkill Canal and Navigation Company, also of the Susquehanna Canal and of about 1,700 miles of railroad, as well as of about one-third of the whole anthracite coal fields of Pennsylvania, and at the same time to put up the average price of coal at least 50 per cent. to the consumer. In fact, seven coal-carrying railroads, which are at the same time coal miners, may be said to own or control all the anthracite of the United States.

It is true a few private coal operators still doggedly cling to their property and their business, but the testimony taken by your committee abundantly shows that the Reading "devil-fish," as Congressman Brumm calls it, has been steadily branching out throughout the whole region, absorbing both coal mines and railroads. Other carrying Companies in Pennsylvania are doing the same thing, and your committee believes it has good cause for saying that more than one, if not all, of the anthracite monopolies run several of their mines in the name of private operators to quiet the general clamor against carrying companies having a monopoly of mining also.

In order to rob the public by controlling the price of coal through limiting its output and charging an exorbitant freight for its transportation, the Reading has both purchased and leased many of its coal lands at "speculative" values on credit, giving bonds of the railroad for security as well as a mortgage on the coal lands, having no sufficient amount of cash to pay down so as to let the coal land be its own security. In this way the bonded debt of the Reading Railroad has been increased to one hundred and sixty million dollars, although the capital stock of the company is only about forty million. The company has twice been in the hands of receivers, and after recently collecting an assessment of about twelve millions upon the stock it is even now by consent of the stockholders in the custody of trustees for the benefit of its bond-holders. It has not paid any dividend for twelve years, although its average annual dividend for a long while immediately preceding the time it commenced to mine coal was over 10 per cent., frequently 15, sometimes 20 per cent. Many sagacious railroad experts think it never will pay another dividend to the present stockholders, so that the railroad company itself has been a great sufferer financially as well as the public by the unity of the two inconsistent pursuits of coal carrying and coal mining, which, while tempting to speculation, stock gambling, and affording monopoly an opportunity to advance the price of coal by charging an extortionate royalty for mining and an unjust freight for transportation, yet in the end punishes itself.

This experiment has entailed upon the stockholders a loss of $60,000,000, according to one expert witness, John Norris. (Testimony, p. 291.)

From the day that the Reading Railroad Company first fairly entered upon the joint business of mining and carrying coal in 1871 down to the present hour, it has been rapidly sinking more hopelessly into bankruptcy. Judging from the evidence taken, and especially from the tergiversations, evasions, and general conduct of the present controlling officials of the road while testifying before your committee, there is hardly a doubt but that most of those officials have long been much more intent upon paying themselves princely salaries and manipulating the stock of the company than they have been in reducing its debts or realizing dividends for its stockholders.

In this connection the following testimony from the last president of the Reading Railroad before it commenced mining (Charles E. Smith, pages 219, 220, and 221) sheds a flood of light upon how, at least, $15,000,000 of the $160,000,000 of the existing bond and first-mortgage debt of the company was contracted.

Q. Were you president of the Philadelphia and Reading Railroad Company?—A. I was.

Q. During what years?—A. 1861 to 1869; during the whole period.

Q. When did you cease to be a share-holder of that company?—A. About two weeks ago.

Q. Have you had any official connection with that company since your presidency ceased?—A. I was a director. I gave up the presidency some time in the summer of 1869 and went to Europe. I was gone a year, and when I came back I was elected a director. I was a director until Christmas, 1876, when I resigned, and I have had no connection with the company since.

Q. Why did you cease to be president of the company?—A. My health broke down and the doctor told me I should either resign or be in the grave within six months.

Q. Why did you resign your directorship?—A. I did not resign. Yes, I did; I resigned. I made an investigation as director of that report which was made to the board about the 20th of November or December, I have forgotten which—the 20th of December, I think it was, and the annual meeting took place the second Monday in January, and I resigned between the date of the report and the annual meeting; I think just about Christmas, 1876.

Q. What was it you were investigating?—A. The crookedness of the company's accounts in these reports.

Q. Was your resignation the result of that investigation?—A. Yes.

Q. In what way?—A. The amount of that business was that the reports which were to be put in the hands of the annual meeting, which was to take place in a week or two, sought to suppress certain facts, and I thought it would be dishonest, and I therefore resigned.

Q. In what particular dishonest?—A. Suppression of the truth. If the report of the directors means anything it means to tell the truth.

Q. I do not mean the dishonesty in the suppression of the truth, but in what way were those accounts dishonest?—A. The value of the debt had been suppressed and a dividend had been declared and the money had not been earned and was borrowed to pay it, and the accounts were made up so as to represent the money had been earned; that is, if you did not read between the lines.

Q. What was the purpose of borrowing money to pay a false dividend?—A. Mr. Gowen's object was, no doubt, to make a fine showing, and some of the directors who had a hand in it were gambling heavily in stock, and their object was plunder.

By Mr. CHIPMAN:

Q. You say the money was borrowed to pay the dividends?—A. I do; amounting to about $15,000,000.

Q. How did they secure these $15,000,000?—A. Borrowed them.

Q. Well, did the company borrow the money?—A. Yes.

Q. How did the company secure it?—A. They gave bonds.

Q. Mortgages?—A. Yes.

Q. You say that fact was suppressed in the report?—A. If you will give me a report I will show you how it was suppressed.

Q. For what year?—A. Between 1871 and 1872 and 1876. The loans to the coal and iron company were represented to be earnings of the railroad company, because the railroad company has paid the loans of the coal and iron company, and this money for the payment of those advances was represented as money earned and received.

Q. You were a director of the railroad?—A. I was.

Q. Could you say of your recollection that the loans of the coal and iron company were represented as profits of the railroad company?—A. I will show you how it was worded. This is the report for 1874, dated January, 1875. On page 9, transportation and income account. These are the receipts of the company. One large item at the bottom to make it come out right is $1,280,000. There you have half a dozen items to be added together or subtracted to make that one item. This is the amount put in the accounts, and that is cooked.

By Mr. STONE:

Q. In point of fact, was it right or wrong?—A. It was wrong, both morally and as a matter of book-keeping.

Q. Who suffered by it?—A. The stockholders.

Q. Who profited by it?—A. I do not know anybody profited by it except those who were gambling in the stock.

Q. In what way did they profit?—A. They profited very much, because they could get the money to purchase the stock and they could get it carried at 6 per cent. interest, and they got a 10 per cent dividend, and so they cleared 4 per cent. by doing nothing and without advancing a dollar.

Q. That report is calculated to advance the market value of the stock?—A. Yes, and keep it up. They were paying dividends of 10 per cent. and in reality there was no money earned.

Q. Were you managing the coal and iron company at the same time?—A. Do you speak of me personally or the company?

Q. The company?—A. The company was managing both at the same time.

Q. When did the railroad company acquire control of the stock of the mining company?—A. At its creation.

Q. Was the mining company created at the instance, or was it the creation of the railroad company?—A. Yes; under Mr. Gowen's presidency the iron company was started in May, 1871.

Mr. CHAIRMAN. That was the Laurel Run Improvement Company?

The WITNESS. Yes; the name was changed. The application was made shortly after the organization to change its name from the Laurel Run Improvement Company to the Philadelphia and Reading Coal and Iron Company. It is in that record there.

Nor do the evil effects of blending the carrying and mining of anthracite stop with robbing the public and involving the railroad company itself inextricably in debt. The laborers in the mines likewise share in the general abuses and pecuniary losses of the vicious system. The avaricious grasping at a monopoly of both carrying and mining by such a gigantic concern as the Reading Railroad and Coal Mining Company causes it to treat the miners and their help with gross injustice in many ways. The business of anthracite mining is overdone, because the few huge carrying companies engaged in it can not find a market for their output *at the monopoly price they want for it.* The capacity of the Reading to extract double the quantity of coal it now actually mines is conceded on all sides, and the capacity of the public to consume largely more than the present output of anthracite if it could be had at a competitive price, as it was formerly, is also conceded; yet the company, rather than let the output, the transportation, and the price regulate themselves by fair competition, prefers to buy or lease mines at fabulous rates and then either shut them up or work them on short time, if necessary, to limit the output and at the same time to charge both exorbitant royalty and freight to swell the price.

Then, again, as no coal mine can be successfully worked except full-handed—that is, with a full complement of experts and laborers—the railroads which both carry and mine anthracite always retain an abundant supply of help on hand, which help they purposely keep in ignorance as to when operations will be suspended, and for how long. If the knowledge of when they shall be required to work short time or no time were not deliberately withheld from the miners and laborers till the last moment they would doubtless seek employment elsewhere, but as it is they not only lose wages for short time or no time, but they have to pay rent also, as nearly all the houses at nearly all the mines belong to the mine operators and not to the laborers, which latter are mere tenants at will, and have to sign a written lease to that effect before they are permitted to occupy a house, especially in the Lehigh region. Rent goes on all the while against the employes, but wages are paid only in proportion to work actually done in short time, and of course no wages are paid during a lockout or strike, while rent of the miners' houses never ceases, which, together with his other charges, must be paid when work shall be resumed before he can draw any wages. This, together with other expenses next to be mentioned, serve largely to keep the miners in debt slavery, as so many Mexican peons. Mr. Ario Pardee, of Hazelton, a private operator, as well as a reputed millionaire and stockholder in railroads engaged in mining and carrying anthracite, with grim humor admitted to your committee that both the railroads and private operators prefer to let the miners occupy their houses so that rent can accumulate against them during a strike, lock-out, or shutdown. Said he (testimony, p. 569)—

> We can not undertake any general eviction. We expect a great many to go to work, and we are a good deal in the position of the old Quaker with his ox Golden. He got out of patience and said, "Go to hell, Golden;" but he said, "Come back again, for we can not do without thee." If we did that we would be in the position of the old Quaker.

Besides this, at most of the mines, especially in the Lehigh region, each miner or mine laborer who has a house for his family is charged and has the charge deducted from his wages for one ton of coal per month during the whole year, whether he uses the coal or not, for cooking and warming. It was proven that but very few families use that much coal any month in the year, and never in summer.

Another abuse existing at most of the mines is the practice of compelling miners to fill underground cars with coal of larger capacity than the size agreed upon. The excuse for this by the mine operator is to make up for wastage at the coal breaker, as well as for loss on account of slate rock which is always more or less mixed with the coal; but a still more abominable practice, to make sure of deducting enough for slate, dirt, and light-loading is to dock every car so much. The man who determines the amount of this dockage represents the coal operator alone, the worker in the mine having no voice in it. One of the bitterest complaints of the miners is that they have no representative or means to guard against excessive dockage, and that the coal operators habitually and largely dock too much.

The testimony likewise shows that the coal operator (proprietor of the mine) invariably compels his miners to get their working outfit from him at an enormous profit to the operator, especially blasting powder. Wherever your committee went, in either the Schuylkill or Lehigh regions, the grumbling was both loud and long against the overcharge for powder. It was alleged, and believed to be true, that the operators, who buy their powder cheaply at wholesale, as a rule charge the miner 100 per cent. or more advance.

However, perhaps the greatest outrage inflicted upon the workmen in and about the mines is the "pluck-me store" system of paying wages which is universal in the Lehigh region with but one or two honorable exceptions that came to the notice of your committee. Usually every Lehigh coal operator keeps a general assortment store of whatever goods a laborer or miner wants, and by not letting him have any cash to trade elsewhere, practically compels him to buy at the operators' store upon the operators' own terms. It was likewise proven that at some of the Lehigh mines only particular peddlers of poultry and the like were allowed access to the miners' houses to trade. Several of the witnesses swore that from these and other causes when pay-day arrives some of the men get no money at all, because in addition to extortion for necessaries the credit system at the store has tempted the miner to extravagance and by the time his store account, his house rent, his dockage, his powder bill, his fuel bill, his taxes (which must be retained by the employer according to law), his doctor's bill, and other charges have been deducted, no wages remain due. Two ex-members of the State legislature (Senator Coxe, testimony, 597, and Representative Evans, 479), testified that within their personal knowledge several hard-working, sober miners had toiled for years, or even a lifetime without having been able to draw a single dollar or but a few dollars in actual cash; a statement which seems borne out by a number of pay-day balance-sheets in the Lehigh region submitted to your committee and published in the testimony.

Two other causes aggravate the matter; one of which is that as a rule no miner knows what wages he is getting until pay-day comes, as wages in the anthracite regions are not regulated in any certain, simple, honest, straightforward manner, as elsewhere, but upon some hocus-pocus varying principle said to depend on the price of coal at the mines or at tide-water, either of which prices is made by the railroad to suit itself.

The other aggravating circumstance is, that many thousands of surplus laborers are always kept on hand to underbid each other for employment, and thereby force the men to submit to whatever treatment the company may impose.

These and other abuses detailed in the testimony precipitated the great anthracite strike of 1887–'88. It began in September, 1887, in the Lehigh region, where the miners complained that life was unbearable. For months previous they had been perfecting their labor organization for redress of grievances, and after mature deliberation among themselves, and consultation with the national organization of the Knights of Labor, presided over by Mr. Powderly, they resolved first to seek a correction of evils by arbitration, if possible, with the mine operators, and failing in that, to strike.

The operators of the Lehigh Valley scorned even to recognize or communicate with the delegates sent by the Knights of Labor to discuss a compromise. Hence these delegates, as the accredited organ of the miners, submitted an ultimatum, and as the operators could not or would not accept it, the strike began and continued for seven or eight months, when most of the men gave up the unequal struggle and returned to work upon the old terms. While this Lehigh strike was going on another strike occurred in the month of January, 1888, in the Schuylkill region, whose mines are owned or controlled, as before stated, almost entirely by the mammoth Reading Railroad Company. The miners of that company struck because the authorities of the company would not continue to pay the advance in wages of 8 per cent., or about 12 cents per ton, which it had been paying since the preceding September, and the railway employés of the carrying department of the Reading Railroad also struck in December, 1887, either from sympathy with the striking miners or probably because the officials of the Reading road purposely provoked the strike, partly to have an excuse to put up the price of coal generally, and particularly in Philadelphia, partly to get rid of supporting surplus laborers for a time both in the mines and on the railway, and partly to crush labor organizations among their employés.

As already indicated, there are many suspicious facts, in truth almost satisfactory internal evidence, that the authorities of the Reading road deliberately brought about the strikes both among its miners and among its railway employes only *after* the Reading had mined all and transported most of its full quota of coal as agreed upon by the anthracite pool or board of trade. That such an agreement or allotment of production of coal existed in 1887 and 1888, and exists to-day, no one can doubt who has heard the evidence or carefully examined the subject.

But the mining and carrying of anthracite by the same gigantic corporations not only wrongs the consumers everywhere by exacting a monopoly price; not only wrongs the miner by depriving him of good treatment and steady employment at fair wages; not only wrongs the stock-holders of the mining and carrying company itself, particularly in the case of the Reading Company, by preventing dividends on stock, as well as by involving the company in reckless speculation and bankruptcy, but also produces gross political abuses. While the economic abuses herein recited do not apply with equal force to some of the combined mining and carrying companies as they do to the Reading, inasmuch as they pay dividends to their stock-holders, while the Reading has not paid a dividend for twelve years, yet the political abuses apply equally to all; for they all plunder the public, they all stint and oppress the miner, and they all combine to dominate the State government in every department in the interest of corporations against the people.

There is, as before mentioned, a superabundance of labor throughout the anthracite regions. Tramps are to be seen on every hand; vagabond squads of Italians, Poles, and Huns, many of whom can not speak English, throng the mines to compete with Americans for work; hence the wages of miners tend downward all the time, while the price of anthracite moves upward, or at least remains at the monopoly figure which the seven joint carrying and mining companies have been exacting for it of late years. The question will force itself, Why are the mines overrun by these ignorant pauper foreigners? How do they get there and by whose agency? Competition for employment is so fierce that wages in many occupations are but little above the starvation point, and when the superintendent of the Reading mines was asked by your committee upon what influence he relied to fetch the men back to work he replied, "Their necessities."

Nearly all this multitude of unemployed or poorly paid laborers are voters, and vast numbers of them must be cheaply purchasable or easily intimidated. The Reading Company alone has over 20,000 miners and about 15,000 railway employés in its service. Will these employés dare defy its behests at the ballot-box? The Pennsylvania Railroad and other carrying and mining companies have their swarms of employés also, too many of whom are but little better than political as well as industrial slaves.

In proof of this the railroad corporations by their irresistible influence first induced the State legislature to authorize common carriers to become miners also. In entering upon such a policy the corporations had to employ tens of thousands of laborers, most of whom live in the lowest scale of existence. It was the rule with these corporations to hire laborers from the poorest classes at scant wages; and it is readily seen that brute force must have been required to terrify them into subjection whenever they should be moved to strike or refuse to submit like angels to lockouts, which they sometimes did in the effort to obtain something above "starvation wages."

It naturally followed that these corporations again went to the legislature to obtain a police power, which they and not the State should control, to be able to hold the miners and laborers in subjection. Accordingly every railroad in 1865, and every colliery, iron furnace, or rolling-mill in 1866, was granted by statute liberty to employ as many policemen as it saw fit, from among such persons as would obey its behests, and they were clothed with "all the authority of policemen in the city of Philadelphia"—were paid such wages and armed with such weapons as the corporations determined—usually army revolvers, sometimes Winchester rifles, or both—and they were commissioned by the governor. His discretion was and is now the only limit upon the number of such policemen to be appointed; and it is believed that the governor has seldom if ever refused to commission the number and particular persons asked for. They report to nobody but the heads of the corporations employing them, from whom they get their orders, and which they execute generally with a mailed hand. It struck some of your committee as a curious condition of affairs, while walking the streets of Hazelten and Shenandoah, two mining towns of several thousand inhabitants, that there were to be seen three different sets of policemen—one wearing a metallic shield engraved "Borough Police," a second "Railway Police," and a third "Coal and Iron Police;" the two latter many times more numerous than the former.

The authority of the railway policemen extends over all the premises of the railroad throughout every county where the road runs and in the clerk's office of which his commission has been recorded. So, too, the authority of the coal and iron police is equally extensive, but with this difference—that the railway policemen are independent of any orders save those of the railroad company; and it is doubtful even if the governor, who may commission or refuse to commission a railway policeman, may afterwards give him an order or cancel his commission, although under the statute of 1866 he can revoke the commission of a coal and iron policeman.

Mr. Austin Corbin, president of the Reading Railroad Company, while under examination before your committee in February, 1888, admitted that his railroad had then in employ "probably 300" of these domineering policemen, and from reliable information the number of coal and iron policemen alone in commission last October was 412. These aggressive policemen tend to overawe not only the local civil police, but the people themselves. All these police are likewise made detectives by statute, and while exercising the latter office they are not required to wear their badge or metallic shield, which serves more or less to destroy all confidence in social intercourse among the population of the mining regions, who are harried on every side by spies and informers, which latter instantly may become clubbing policemen. The only riot that occurred during the great and prolonged strikes which your committee was directed to investigate was needlessly provoked at Shenandoah, as the testimony clearly shows, by the railroad and coal and iron police. And the chief of that police during this riot added as many ruffians as he pleased to club the people at $2 a day, and hired them himself without applying to the governor for that purpose. In a boastful manner he admitted this to your committee on the witness stand, and appeared to feel that he had more authority than the executive at Harrisburg.

From the cautious and anxious manner in which some of the witnesses testified, and from the bated breath in which they privately discussed their wrongs, and from the subdued appearance of the population generally, there was a forcible reminder to an intelligent mind of the state of affairs in Russia or of other despotisms.

Your committee fully recognizes that there must be an abundance of policemen [illegible] about the mines, furnaces, and rolling mills where there are ignorant, vicious, and turbulent elements to be held in control; but your committee condemns the principle and policy of a police force under any other than civil authority. There ought to be a concentration of civil power; for as it is now there is a want of responsibility. There is a jealousy among these so-called keepers of the peace; crimes are frequent and go unpunished; as evidence of its inefficiency notwithstanding the great number, and different kinds of policemen, perhaps more crimes go unpunished in the mining localities than in any other part of the State. What is everybody's business is nobody's, and a division of authority sometimes leads to a conflict of authority as well as to a neglect of its exercise or to an improper exercise.

Instead of three heads of authority, there should be but one—the local civil authority. Nothing makes power so honest and efficient as sole responsibility, and all civil police should be responsible directly to the mayor of the town or the sheriff of the county or his deputy. The entire mining country is interlaced by railroads and telegraphs, and the whole police in every town and county could readily be concentrated wherever needed upon short notice, as the different detachments of police in a large city can speedily be rallied at any point by a chief of police, and this could be done in the mining regions by the sheriff or his deputy just as effectually as by the heads of the corporations themselves. Again, if the civil authorities controlled the appointment and handling of the police, proper persons, and not bullies, would be selected, who would conscientiously enforce peace in the community far more than will the irresponsible policemen who best fulfill the wishes of their masters when executing the oppressions of pecuniarily interested corporations.

In leaving this branch of the subject it may be remarked that the "railway" and "coal and iron" policemen of Pennsylvania are as odious to the better class of citizens in the mining regions as if they were known as Pinkerton detectives.

So much extortion was practiced upon the public by the unholy alliance among the joint carrying, mining and manufacturing industries, and so many wrongs were inflicted on the miners and upon employés by the corporations through the railway and coal and iron police, who habitually usurped in many cases the functions of the regular local civil police, that the people of Pennsylvania arose in their might, called a convention, and framed a new constitution in 1873, in order, mostly: (1) To curb the unbridled power of corporations; (2) to prevent corruption at elections; and (3) to prohibit special legislation, the two former abuses having been produced, possibly, mainly by the extortions, oppressions, and corruption of the joint business of carrying, mining, and manufacturing. Its most important new provisions, compared with the preceding constitution, were articles 16 and 17, which declared railroads and canals to be public highways, and required railroad and canal companies to transport without delay or discrimination of any kind. The consolidation of competing lines was forbidden. Common carriers were prohibited from engaging directly or indirectly in the mining or manufacturing of articles for transportation over their works, or from acquiring ownership in land, except for carrying purposes. The power of the legislature to alter, revoke, or annul charters of railway companies was also provided for, and that no corporation should have granted to it hereafter any further privileges except on condition that it accepted all the provisions of the new constitution. The general assembly of the State was required to enforce these provisions by appropriate legislation, which "appropriate legislation" has unhappily never been had, although it has been vigorously attempted by a few members at nearly every session of the legislature.

It is true that the State act of 15th May, 1874, was passed professedly to make provision for the enforcement of these articles; but on this point the Hon. Charles R. Buckalew, now a distinguished member of this House, and formerly United States Senator, in his admirable commentary on the new constitution of Pennsylvania, page 270, says:

> This object it does not accomplish. The promise of its title is falsified by the body of the act. In fact, upon an examination of that act in all its provisions and of the history of its enactment by the legislature, the conclusion must be that it was not framed in good faith to the constitution or intended to enforce any substantia reform in corporate management.

Because, as he says on page 267—

> The act is imperfect, for it provides no penalty for its violation, nor other means for its enforcement.

A more pretentious act providing penalties was passed by the legislature June 4, 1883, but those "penalties" were to be inflicted for offenses defined in the act and not for offenses described in the seventeenth article of the constitution. And so many conditions, qualifications, and limitations were added to the crimes defined by the act that nobody ever has been convicted under it, or ever can be, or ever was intended to be convicted.

The political parties in the State, at times, have vied with each other in convention platform promises to enact this "appropriate legislation," but the friends of the constitution have never been able to command a majority in the legislature against the friends of the corporations. And the most that ever has been accomplished in that direction was the passage of a shirking joint resolution at the session of 1878 to encourage such legislation by Congress, in the following words:

> *Resolved*, That our Senators in Congress be instructed and our Representatives be requested to vote for the passage of an act to provide for equity in the rates of freight upon certain property carried totally or partially by railroad in commerce with foreign nations or among the several States and Territories, and to prevent violent and injurious fluctuation and unjust discrimination in such commerce, and for other purposes. Approved March 5, 1878.—J. F. Hartranft.

But while the legislature of Pennsylvania will enact no statute to discipline corporations, it seems too ready to pass laws for them.

On the 2d and 6th of June, respectively, in 1887, two separate statutes were passed as follows:

AN ACT to protect the rights of share holders in property and stock of corporations.

SEC. 1. *Be it enacted, etc.*, That no real or personal property, the title to which is or may be held by or in the name of any corporation of this State, authorized by its charter or general laws to hold the same, shall be escheated to the Commonwealth, nor shall, in any judicial proceeding, any inference of any relation of trust or agency arise by reason of the character or residence of the stockholders holding the whole or part of the capital stock of such corporation, nor because the beneficial ownership of said property, in whole or in part, is, or has been, in any person or persons, corporation or corporations, prohibited from holding the same.

SEC. 2. That said lands and property shall again become liable to escheat to this Commonwealth, as already provided by law, if said corporation shall continue to hold said lands and property exceeding five years after the passage of this act, and an information, in the nature of a quo warranto or other proper proceeding, shall be filed or brought by this Commonwealth to escheat the same: *Provided*, That no railroad, canal or other transportation company of this State, nor any corporation in whose name the title to other lands or property is held, shall plead or have the benefit of this act unless it shall have previously filed with the secretary of the Commonwealth a certificate, in writing, signed by the president and secretary and attested by the corporate seal of the corporation, stating that at a regular meeting of said board of directors a resolution, in pursuance to the consent of the stockholders, was adopted, accepting all the provisions of the seventeenth article of the constitution of the State, and that all the powers and privileges and the limitations and restrictions therein shall be deemed and taken for all purposes to apply to such corporation. No such certificate shall be made by the officers aforesaid without the consent of the stock holders of the corporation at a general or special meeting first had and obtained: *Provided further*, That no railroad, canal, or other transportation company shall plead or have the benefit of this act unless it shall have previously filed with the secretary of state its acceptance of all the provisions of article 17 of the constitution of this State, in manner and form as provided by law. (Approved, June 2, 1887.—James A. Beaver.)

AN ACT to enable the citizens of the United States and corporations chartered under the laws of this Commonwealth and authorized to hold real estate, to hold and convey title which had been held by aliens and corporations not authorized by law to hold the same.

SEC. 1. *Be it enacted, etc.*, That where any conveyances of real estate in this Commonwealth have been made by any alien, or any foreign corporation, or corporations of another State, or of this State, to any citizen of the United States, or to any corporation chartered under the laws of this Commonwealth and authorized to hold real estate, before any inquisition shall have been taken against the real estate so held to escheat the same, such citizens or corporations, grantee as aforesaid, shall hold and may convey such title and estate indefeasibly as to any right of escheat in this Commonwealth by reason of such real estate having been held by an alien or corporation not authorized to hold the same by the laws of this Commonwealth. (Approved, the 6th day of June, A. D. 1887.—James A. Beaver.)

Both these acts are worthy of the proverbial astuteness of the Philadelphia lawyer.

It will be seen that the act of June 2 does two things: (1) That the immense area of lands unlawfully held by the railroads engaged in carrying and mining coal shall never be escheated to the State, provided that the benefit of the act shall not apply to a corporation until it shall have filed with the secretary of the commonwealth a very ceremonious resolution, stating that the stockholders accept all the provisions of Article XVII of the constitution; (2) that said lands shall not be escheated, but shall only become "liable" to escheat if held longer than five years from the passage of the act, when proceedings shall be brought by the State to escheat the land, but such proceedings may be defeated by the corporation simply pleading that it has accepted by formal resolution all the provisions of the seventeenth article of the constitution.

If the analysis given is not the correct one, what is the correct one? Under the provisions of the above act, which seems to have been framed more to conceal than to express its real meaning, what consideration does the State get for waiving perpetually her right to escheat these lands? It is true the act purports to make them *liable to escheat* after five years if the corporations shall longer continue to hold them, but any judicial proceedings brought to escheat them can be instantly defeated by the corporation pleading that it has accepted all the provisions of Article XVII of the constitution; a gratuitous condition, inasmuch as the court of last resort in the State has repeatedly decided that the offending railways now illegally holding baronies of land, and engaged in the joint business of mining and carrying coal, and otherwise violating the new constitution, are generally subject to the provisions of that instrument.

Another covert provision which seems to lurk in the above act is to enable foreign stockholders or purchasers of said lands now illegally in the possession of the offending railroads to acquire a valid title either for their own benefit or in trust for the railroads.

That the above interpretation is the correct one, and that the general assembly so understood it is obvious, from the fact that four days afterward it passed the second act quoted, which, both in the preamble and the body of the act, unequivocally and boldly permits any citizen of the United States or alien to purchase, hold, or convey title to these escheatable lands without any limitation as to time, and that such title shall be superior over any right of the State to escheat them.

What an outcome of the strong party pledges to execute the constitution against the railroads made by these legislators when seeking the people's votes! And what a commentary upon the observance of their oath of office to enforce the constitution against the corporations by "appropriate legislation!"

As these remarkable acts were passed at the very next session of the legislature after it had been finally determined in the highest court of the State that the Reading Railroad was and is subject to all the provisions of the new constitution, the mind can not help but suspect that this largest holder of anthracite lands as well as the largest carrier of hard coal in the State had much to do with their enactment. A circumstance which gives color to this suspicion is the fact that an appeal was taken in the case of the Reading Railroad *vs.* Patent, explained more fully hereafter, to the Suprême Court of the United States, which was probably done to prevent, if possible, the institution of any proceedings for escheat, injunction, or other process until the passage of these acts was secured. That object accomplished, the Reading's counsel, of his own accord, moved to dismiss the appeal, which was done, with costs, 7th January, 1889. Although it is not apparent that these two acts go very far toward enforcing the new constitution by "appropriate legislation," they have probably laid the ground work for tremendous litigation and delay in executing the new constitution. Since the passage of these two acts in June, 1887, some of the railroads have been buying wide areas of other coal lands, and instead of quitting the joint business of mining and carrying anthracite have increased their mining operations by extracting bituminous coal as well as anthracite. This is notably true of the Lehigh Valley Railroad which seems ambitious to outstrip the Reading as an offender against the State Contitution.

Governor Beaver, the present executive of Pennsylvania, approved these acts, and yet in his last annual message, dated January 1, 1889, he devotes a long exhortation to the legislature to curb the railroads, which begins with the following eloquent language:

> Your attention is respectfully and earnestly called, as that of former legislatures has been by previous executives, to the necessity for well-considered legislation to carry into effect the seventeenth article of the constitution. No argument is needed to enforce the majestic command of our fundamental law in this regard, which is "that the general assembly shall enforce by appropriate legislation the provisions of this article." Constitutional requirement, plighted political faith, and the highest welfare of all concerned demand the discharge of this duty by the legislature.
>
> It is a mistake to suppose that proper legislation upon this subject is, or ought to be, in any way inimical to the best interests of our carrying companies.

It is difficult to reconcile these statesmanlike words with his official acts in signing statutes to thwart the provisions of the constitution instead of enforcing them against corporations.

In the meantime, until very recently, the railroad corporations, in face of the plain inhibitions of the new constitution, have defiantly gone on acquiring title to hundreds of thousands of acres of coal, as well as of neighboring agricultural lands, and have not only been aggressively pursuing the joint business of carrying and mining coal, but they have been discriminating heavily in coal freights especially against the city of Philadelphia, robbing that city of about three millions of dollars or more annually, which it would not have had to pay if the two monster corporations, • • • the Pennsylvania Railroad and the Reading Railroad, that control all direct transportation from the mines to the city, had not plundered the individual shipper at one end of their road, and the consumer at the other.

Philadelphia, instead of paying more for her anthracite than any other sea-board city, should get it for less, because it is down grade from the mines to tide-water, and a locomotive can pull about as many loaded cars to market as it can haul back empty ones.

But this unjust discrimination is likewise practiced against Baltimore and other southern sea-board cities—Wilmington, Savannah, Charleston—as compared with the price charged to the northern sea-board cities shipped from Philadelphia by the Pennsylvania and Reading Companies.

The anthracite of Pennsylvania is the best coal in the world, being over 90 per cent. pure carbon. It burns without smoke, burns continually if fed like the sacred fire of Vesta; it is the cleanest coal, and is the most desirable of all coals for domestic and many other uses.

Elsewhere in the United States it is found in but little patches, and mined to but small extent in Rhode Island, Arkansas, Colorado, and New Mexico; but its quality in those localities is far inferior to that of Pennsylvania, and its quantity is as a mole-hill to a mountain, and it remains to be determined whether anthracite of sufficient quality and quantity exists in the United States ever to come into serious competition with that in Pennsylvania.

While many hundred thousands of square miles of territory in the United States are underlaid with good bituminous coal, enough to supply the world bountifully to the end of time, the known area of Pennsylvania anthracite is but 472 square miles, yet its quantity, too, is practically inexhaustible; many of its beds (or veins) cover large areas exceeding 80 feet in depth of mineable coal lying near the surface of the ground; and it is estimated by practical and scientific experts that it could supply for consumption even double its present annual output for hundreds of years.

Considering the vast improvements made in the art of mining coal during the last quarter of a century by drilling machines, powerful explosives, and the like, as well as in its transportation by reason of Bessemer steel rails, large locomotives, and otherwise, your committee, after laborious inquiry, has come to the conclusion that, allowing a fair royalty to the mine owner, good wages to the miner, reasonable freights to the carrier, and a handsome profit upon the capital actually invested in the enterprise of furnishing coal, the whole output of anthracite can be sold on an average for at least $1 less—your committee believes considerably more than $1 a ton less—than the consumer has had to pay for many years at tide-water, if there had only been free competition in mining and free competition in transportation, instead of a monopoly of both, confined practically to seven joint mining and transportation companies.

The process by which this result is reached is as follows: Many witnesses examined, some of them coal operators, admitted that the cost of mining did not exceed on the average $1.50 a ton throughout the anthracite region, even when good wages were paid to all concerned. A number of witnesses testified that the cost was considerably below that. But assuming the cost of mining to be $1.50 a ton, then allow 25 cents a ton royalty to the mine owner and $1.25 a ton for freight from the mines to Philadelphia, which likewise ought to be a reasonable rate for carrying it down grade to the city, 90 miles, it would seem that $3 should be the wholesale price in Philadelphia (and that was about the price the city paid before the Reading went into the business of mining coal in 1870), and the city ought not to have to pay more than that until ages hence, when deep mining shall become necessary. Too much royalty for mining and too much freight for transportation to pay interest on Reading's $160,000,000 bonded debt for coal and agricultural lands, most of which lie idle, explain why Philadelphia and the general public are robbed to-day.

Previously to 1870 the Schuylkill region, including the Reading Railroad itself, had enjoyed for a long period great prosperity; especially had the miners received good wages and fair treatment; but since that unfortunate year a withering blight has spread over the Schuylkill as well as the Lehigh regions from the joint monopoly of mining and carrying coal by the Reading and other companies; and the Reading Railroad itself has been the greatest victim in the ruin it has wrought.

The once prosperous manufacturing city of Tamaqua, of more than 12,000 inhabitants, and its then flourishing neighboring villages, the former seats of successful iron furnaces and the working of the finest coal mines in the world by private operators, who had no facilities for transportation of their own, are to-day, with their closed mines and rotting unoccupied houses, except by goats and other domestic animals, mournful monuments of the desolation which can be wrought by the hostile joint monopoly of mining and carrying coal. By unjust discrimination in carrying coal against these and other private mine operators the Reading Railroad was enabled to drive them out of business, by which means, as well as by issuing its bonds at inflated prices for other coal lands, it has been able to purchase, according to the testimony of Austin Corbin, president of the Reading System, 94,393 acres of coal land and 70,796 acres of agricultural land. The surplus coal lands, of course, were bought to let most of them lie idle, so as to control the output of coal. What are called the agricultural lands were purchased all around the coal mines and at the most eligible points along the line of the railroad, perhaps to secure a monopoly of undiscovered coal and partly to prevent any miner, laborer, store-keeper, or other person from building a house or having a home except upon Reading's own terms. And it is not believed that any man can buy a foot of these coal or agricultural lands.

As the total output of anthracite is about 39,000,000 short tons per annum, of which the people of Pennsylvania consume about one fourth and the other States of the Union consume the remainder, since less than 1,000,000 tons are shipped abroad to Canada and elsewhere, the American people are virtually paying a tribute of at least $39,000,000 a year to the anthracite pool as effectually as if seven robber bands extorted it at the point of a pistol, the only restraint upon their rapacity being the competition of interior bituminous coal.

These giant mining and carrying companies claim immunity for this [illegible] wrong upon the ground that the charters, which they obtained long ago from a yielding legislature, have conferred upon them vested rights that, under the Dartmouth College decision of 1819 (4 Wheaton, 518), can not be taken away from them either by the State or by the United States. But even if it were as contended, that the railroads possess such vested rights shielded by that famous decision, the new constitution of Pennsylvania of 1874 forbids railroads from acquiring coal lands and from engaging in the joint business of a carrier and miner; [illegible] the Pennsylvania railroad can claim any such vested rights in [illegible] leased or purchased since January 1, 1874, the more so as it is an [illegible] fact that the Reading Railroad in particular has acquired [illegible] most valuable mines since that date.

[illegible] there no remedy? Your committee emphatically answers, [illegible]. Neither the State nor the Federal Government has reached that [illegible] condition that the monopolies and trusts now so formed [illegible] can forever defy either with impunity. A number of effective remedies ma be successfully applied either by the State or National Government As the committee is required to make "recommendations," and as th State has exclusive control of its local affairs, and because the co operation of both will be necessary to afford complete relief, it wil proceed now to indicate what can be done by the State and what it be lieves ought to be done by Congress. And to prevent any charge o impertinence in suggesting State remedies it only does so in obedienc to the resolution creating it.

The first thing for the State of Pennsylvania to do is to enforce th provisions of her new constitution as regards corporations engaged i carrying and mining coal by divorcing those interests and preventin discriminations in rates and the like. That alone, your committe believes, would soon right most of the wrongs complained of by th miners and consumers of coal in Pennsylvania. But no such so-calle acts as those passed on the 2d and 6th of June, 1887, will ever accom plish it. There is no room for doubt that if a stringent act for this pu pose were passed by her legislature, its constitutionality would be su tained throughout both by the State and Federal supreme courts. Man recent decisions of both courts warrant this assertion.

To say nothing of other decisions by the State courts holding th charters of all her railroads subject to control of the legislature in a cordance with the new constitution, there was a decision, before allude to, as recently as February, 1886, in the case of the Philadelphia an Reading Railroad Company *vs.* Patent (2d Central Reporter, 554) Gordon, J., which held that even the herculean Reading Road, one o the most defiant offenders of Pennsylvania's roads, by accepting th additional privileges and powers conferred upon it since its origina charter, has surrendered the inviolability of that charter to the discre tion of the legislature, so that this giant transgressor against man prohibitions of the new constitution, and especially against the one fo bidding the joint business of mining and carrying coal, has finally bee brought into subjection by the courts of last resort.

Pennsylvania, beyond question, can curb her mining and carryin companies by an exercise either of the taxing power, the power of emi nent domain, or the police power, which are inherent in every sove eign.

STATE REMEDIES.

First: Exercise of the taxing power.

By taxing labor less and land more, especially by taxing *idle* a thracite lands on the basis of their full market value, the Commonweal could force the holders of those lands to work, sell, or lease them, whic would tend toward free mining in coal at a competing royalty and mo abundant output. This could be effected by specifying mineral land as a distinct class from agricultural lands, in which case the curren rate of taxation upon the latter would be unchanged. The constitutio of Pennsylvania requires that—

> All taxes shall be uniform upon the same class of subjects within the territori limits of the authority levying the tax, and shall be levied and collected under gener laws.

It seems that if there is any land on the face of the earth that oug to be taxed at its full market value, if necessary to secure free compet tion in developing its capability to add to the comfort and happiness o the human family, that land is the 472 square miles of anthracite in th

State of Pennsylvania. Certainly no seven corporations should ever be permitted to stand guard over an inexhaustible supply of a necessary of life and dole it out at a monopoly price, when a beneficent Creator intended it for the use of all without extortion.

While Pennsylvania levies a mere nominal tax on anthracite lands, she yet has a unique system of collecting a high capitation tax upon labor in some places and a low rate in other places by assessing every man's occupation at a fixed value for taxing purposes, as if men were horses or cattle. Said one of the witnesses before the committee, Thomas A. Buckley, justice of the peace (Tes., 545):

> Anthracite lands are assessed at $75 an acre; that is, they pay an assessment subject to the different scales of the board, borough, township, etc., put upon that $75. Each board of county commissioners has a right to levy and make an assessment. Now, the miner of Luzerne County was assessed as high as $100 a year. At the present time it is down to $70. In the adjoining counties of Schuylkill and Carbon the assessment is higher. In the borough in which I reside it was 63 mills, which multiplied by $70, leaves us $4.41 which the miner had to pay. The laborer was assessed at $40, this was multiplied by 63 mills; and teamsters at $50, foreman at $60, etc., and at the present time I myself am assessed at $150. So, as a justice of the peace, I am worth a little over a miner.

This tax is not only levied, but it is collected by the stern process of imprisonment, if necessary. On this point another witness (James Shields, testimony, 446, 447) says:

> Q. Have any arrests been made here recently, within your knowledge, of miners for taxes?—A. No, sir; not that I know of. I know there were two Polanders in the lock-up that the tax collector had put in for taxes.
>
> Q. You have seen two men in the lock-up that the tax collector had imprisoned for taxes?—A. Yes, sir.
>
> Q. Just a tax on the man?—A. That is, the tax on the laborer.
>
> Q. In the nature of a license tax?—A. Yes, sir; a miner has something over $5.
>
> Q. Do I understand you to say that a man working in the mines, who has no property on earth except the clothes on his back, and they are ragged, that he has got to pay a $5 tax for the privilege of mining?—A. It makes no difference whether he has got clothes or not on his back, he has got to pay it.
>
> Q. Who collects it?—A. The tax collector.
>
> Q. Suppose the fellow has got nothing to live on, that he has nothing with which to pay the tax, then how does the collector get it?—A. Takes his body for it; arrests him.
>
> Q. What does he do with him?—A. Takes him down to Pottsville.
>
> Q. Puts him in jail?—A. Yes, sir.
>
> Q. How long would they keep him in jail?—A. I do not know; it may be four or five days.

Or, presumably, the witness might have added, until some one felt pity enough to loan him sufficient money to pay the tax and costs, or avarice enough to drive a hard bargain for his labor when released.

Large areas of these coal lands can not be bought for $1,500 an acre, and $1,000 an acre was a common price when sold before the corporations acquired them. Now, is it right to tax the capitalist so little, who is able to pay, and the laborer so much, who has nothing to sell but his toil, and ought not all taxation, both State and Federal, to be based rather upon income or property than upon mere labor?

Second: Exercise of eminent domain.

Even assuming, as the offending corporations claim, that the Dartmouth College decision shields them from being reached by the law, still the State would not be helpless, for she could easily exercise the right of eminent domain by taking possession of all the anthracite lands at a fair valuation and then throw them open to free competition in mining at a reasonable royalty, sufficient to pay the interest on the debt she would thereby contract. The people of the State would doubtless object to this course as impracticable, and it is not recommended, but simply suggested to the voters of Pennsylvania, so as to show that their rights are not hopelessly fettered by the Dartmouth College decision, which is every day losing its force as a controlling case on account of the rapacity of corporations.

If Pennsylvania, however, should choose to exercise the right of eminent domain, the valuation upon these lands would not be made by their Shylock owners, but by the legally-constituted authorities of the State, and as they are appraised in the great anthracite county of Luzerne, for taxing purposes, at only $75 an acre their condemnation at a fair valuation, including improvements, would not reach any fabulous debt for such a royal Commonwealth as Pennsylvania to assume, with an assured revenue from the property taken to meet the interest on the obligation.

Third: Exercise of the police power.

But the police power is the one for the State to rely upon, without any fear of failure, to discipline her arrogant corporations; and by the police power is meant the inherent authority in every Commonwealth to govern all persons and things within its borders, one of which things is private property, that the State allows every individual to use in his own way, except not to injure another. But when "private property is coupled with a public interest" the State interferes to regulate and control it, so as to protect that public interest against the selfish cupidity of the private owner.

This doctrine was laid down by Sir Matthew Hale over two hundred years ago and it has been regarded as law ever since by all English-speaking peoples. It is upon this ground that the State regulates fares, freights, and tolls on railroads, bridges, ferries, grist-mills, hackney-coaches, and any similar business to which attaches any public use. Hence in all pursuits where private property is coupled with a public interest, if owned by a corporation, a legislative act or charter regulating the charges to be levied on the public is passed, mostly to protect public interests especially against overcharges, but of course to guard the interest of the private owner also.

Ever since the Dartmouth College decision was rendered in 1819 until a few years ago every charter of the State to a corporation was regarded as an inviolable contract between the two which could not be altered in the slightest particular by a legislature except with the consent of the corporation, unless the State constitution, or a declaratory statute previously in existence, or a clause in the charter itself expressly reserved the power to do so. For about fifty years following the celebrated Dartmouth College case charters containing too liberal provisions for the private interest as against the public were obtained more or less in all the States, without any such reserving clause, often by the designing management of corporations, some for a limited time, others perpetually. So many flagrant abuses were thus perpetrated according to the forms of law that in a short time nearly all the States either passed declaratory statutes or amended their several constitutions providing that every charter thereafter granted should be subject to amendment or revocation.

Abuses under those old charters became so oppressive in many of the western agricultural States that between the years 1870–'76 there was a strong popular agitation which culminated in statutes in defiance of the then received construction of the Dartmouth College case and against the supposed inviolable State charters of corporations. These statutes reduced fares and freights charged by the railroads allowed by their unexpired charters and also for the first time prescribed the storage rates which grain elevators might collect. A number of lawsuits followed, commonly known as *The Granger Cases*, which went up to the United States Supreme Court for final adjudication, and in the leading case rendered in 1876 (Munn *vs.* Illinois, 94 U. S., 124), the Dartmouth College decision was so greatly modified that it was held not to apply to so much of the police power of a State as relates to regulating fares and freights on railroads or storage at warehouses within a State.

And there is still another case reported in the same volume which goes yet further than Munn *vs.* Illinois, in modifying the Dartmouth College case (Boyd *vs.* Alabama, page 645), so as to permit a State not only to alter a charter regulating fares and freights, but also to alter charters affecting the public health or public morals.

Field, J., in delivering the opinion of the court, used this language:

> We are not prepared to admit that it is competent for one legislature by any contract to restrain the power of a subsequent legislature to legislate for the public welfare, and to that end to suppress any and all practices tending to corrupt the public morals.

The principle involved in both these cases, so seriously modifying the Dartmouth College case, was again affirmed by the United States Supreme Court in the year 1884, in the famous *Slaughter-House Cases*, which came up from New Orleans (Vol. III, U. S., 746), where Miller, J., said:

> No legislature can bargain away the public health or the public morals. The people themselves can not do it, much less their servants.

So that, according to these modifying decisions of the supreme court, the legislature of Pennsylvania may prescribe a new maximum of freight on anthracite, if it should think fit, and also probably a reasonable maximum royalty for the privilege of mining a ton of coal. And your committee think one-half of the royalty now usually charged would be ample compensation.

As before remarked, from recent decisions of the supreme court of Pennsylvania, all her important railroads are subject to the control of the legislature. And as regards the Reading Railroad, in addition to any power the legislature has to regulate freights, according to the decision in Munn *v.* Illinois, as it has accepted new privileges and powers from the legislature, it is liable to-day, even under the Dartmouth College decision, to have its charter amended or revoked, and compelled to quit the joint business of carrying and mining coal, and to quit violating the other provisions of the constitution if the legislature shall so determine.

Hence the voters of the State have an infallible remedy in their own hands if they will only use it and not permit the corporations to bribe, intimidate, or defraud them at the ballot box, or control the legislature after its members are elected.

No one will insult the good people of Pennsylvania by questioning that a majority of the right sort of men to do this can easily be elected to each house of the State legislature. To accomplish it nothing is needed but to have the judgment, patriotism, and manhood of the masses aroused as they were when the members of the last constitutional convention of the State were chosen.

NATIONAL REMEDIES.

As it has been suggested that the State government of Pennsylvania has ample authority to deal with her local labor troubles and to curb her huge corporations, it may be inquired why should the United States enact any legislation designed to cure abuses in that quarter of the Union.

The national authority should interfere for several reasons. The State has failed to correct these abuses for fourteen long years; she possibly may continue to fail to correct them.

First: Prohibit interstate carriers from engaging in mining or manufacturing.

Pennsylvania mines nearly one-half of all the bituminous coal used in this country, and most of the steam-power for driving her large and varied manufacturing industries is generated by that species of fuel, especially in the western part of the State, and while she mines all of the anthracite, yet as Philadelphia and the eastern part of the State consume only about one-fourth of the total output, and the remaining States of the Union consume most of the balance, what might seem to some only a question of local import becomes a matter of great national concern.

Your committee repeat, as it has so often said before, that it believes the chief cause of the labor troubles in the anthracite regions and the extreme fluctuations, sometimes extortions, in the price of hard coal arises from the joint business of carrying and mining permitted to the railroads by their old charters.

It is inevitable that where a carrier has a monoply in the transportation of anthracite and is at the same time engaged in mining, that it will strive to become not only the sole producer but the sole transporter over its road, so as to control the market price of the article in its own interest. It is patent that no railroad will ever discriminate against itself. The privilege of carrying and mining anthracite offers a premium to any carrier engaged in such double business to discriminate against other shippers as well as against consumers.

And what is true as to this joint business in anthracite is equally true as to bituminous coal, iron ores, pig-iron, or other mined or manufactured products. It is a well known fact that many railroads in western Pennsylvania and in several other States are large owners of bituminous coal fields, and are heavily engaged in the joint business of carrying and mining that article at a price to suit themselves in many markets of the country. Sometimes this is done indirectly by a coal company leasing and operating a railroad company. If they do not exercise this double power either to discipline laborers, rob private operators, or plunder consumers as often as or to the extent of the anthracite carriers, it is simply because they have not been able to put up the price to such extortionate figures by reason of the almost universality of soft coal west of the Blue Ridge and Alleghany Mountains.

But that the railroads of Pennsylvania engaged in mining bituminous coal as well as transporting it form the same pools or conspiracies to fleece the consumer and oppress the miner as do railroads in the anthracite region is a notorious fact. As far back as 1871, a memorable decision of the supreme court of the State was delivered by Chief-Justice Agnew, denouncing in scathing terms such a pool or combination.

The case is that of Morris Run Coal Company *vs.* The Barclay Coal Company, reported in 68 Penn. State, page 173. The action was one of debt brought by the Morris Run on an accepted draft in its favor for $2,466. Five coal companies of Pennsylvania had made an agreement in New York to divide two coal regions which they controlled, and entered into a combination to put up the price. The draft, given in settlement of a balance account, was held illegal, as the combination was a restraint upon trade. The other facts are sufficiently stated in the following opinion:

Agnew J.: The referee found that—

These corporations represented almost the entire body of bituminous coal in the northern part of the State. By combination between themselves they had the power to control the entire market in that district. And they did control it by a contract not to ship and sell coal otherwise than as therein provided. And in order to destroy competition they provided for an arrangement with dealers and shippers of anthracite coal. They were thereby prohibited from selling under prices to be fixed by a committee representing each company, and they were obliged to suspend shipments upon notice from an agent that their allotted share of the market had been forwarded or sold. Instead of regulating the business by the natural laws of trade, to wit, those of demand and supply, these companies entered into a league by which they could limit the supply below the demand in order to enhance the price. Or if the supply was greater than the demand they could nevertheless compel the payment of the price arbitrarily fixed by the joint committee. The restraint on the trade in bituminous coal was by this contract as wide and extensive as the market for the article. It already embraced the State of New York, and was intended and no doubt did affect the market in the Western States.

Said the judge—

The effects produced on the public interests leads to the consideration of another feature of great weight in determining the illegality of the contract, to wit, the combination resorted to by these five companies. Singly each might have suspended deliveries and sales of coal to suit its own interests and might have raised the price, even though this might have been detrimental to the public interest. There is a certain freedom which must be allowed to every one in the management of his own affairs. When competition is left free, individual error or folly will generally find a correction in the conduct of others. But here is a combination of all the companies operating in the Blossburgh and Barclay mining regions and controlling their entire productions. They have combined together to govern the supply and the price of coal in all the markets from the Hudson to the Mississippi River, and from Pennsylvania to the Lakes. This combination has a power in its confederated form which no individual action can confer. The public interest must succumb to it, for it has left no competition free to correct its baleful influence. When the supply of coal is suspended the demand for it becomes importunate and prices must rise. Or if the supply goes forward the price fixed by the confederates must accompany it. The domestic hearth, the furnaces of the iron-master, and the fires of the manufacturer all feel the restraint, while many dependent hands are paralyzed and hungry mouths are stinted. The influence of a lack of supply or a rise in the price of an article of such prime necessity can not be measured. It permeates the entire mass of the community and leaves few of its members untouched by its withering blight. Such a combination is more than a contract; it is an offense.

Your committee thinks it is an offense, too, which should be severely punished, and has no doubt it is an offense habitually perpetrated in the anthracite regions, and has been for a long time, only that conspirators work more in the dark now, and rely more upon the principle of honor among thieves and conspirators, than upon the supreme court of the State to enforce their wicked contracts.

And the combination of mining and carrying coal by the same corporation largely facilitates the formation and execution of such a conspiracy.

Your committee has cited this case to show with what audacious effrontery the railroad companies of the State in 1871 asked the court of last resort to enforce the terms of a conspiracy to rob the public, which probably was only one of many similar wrongs that led to the adoption of the new constitution in 1874, but which the good people of that unfortunate State have never been able to enforce.

It is an undeniable fact that railroad syndicates are buying all the best bituminous coal lands along their lines in Missouri, Kansas, Colorado, Arkansas, Tennessee, Alabama, and other Western and Southern States and the Territories, no doubt with a view of levying tribute upon the people's fuel and the industrial fires of the country, which, if not prevented, will be a terrible calamity whenever our forests shall have been leveled and our population become dense.

Without going into details as to the extent of the business of carrying and mining iron ores, or of carrying and manufacturing pig-iron and other products, it is sufficient to say that the abuses in that regard are becoming more or less extensive in several of the States, and that all such monopolies should be broken up before they shall have become too deeply rooted in our industrial system. Congress should not wait until other States shall have become as corporation-bound and monopoly-ridden as is the State of Pennsylvania, or until other States shall have to send up such a wail for national help as Pennsylvania did by the joint resolution of March 5, 1878, before cited.

At three several times in our history as a people our interstate commercial relations have needed and received important national legislation.

(1) It is well known that abuses in the way of petty annoyances, conflicting regulations, and monopoly taxes, perpetrated by each State against foreign commerce, as well as against the people and property of other States, under the old Articles of Confederation was the impelling cause that led to the abandonment of that form of government, after a trial of only nine years, for that of our present Constitution, which gives Congress sole power to regulate commerce with foreign nations and among the several States and with the Indian tribes.

Under that comprehensive power everything went along very smoothly with but little legislation by Congress until the close of our civil war.

(2) The second epoch culminated in the passage of the first interstate-commerce act by Congress, 15th June, 1866, in the following words:

AN ACT to facilitate commercial, postal, and military communication among the several States.

Whereas the Constitution of the United States confers upon Congress in express terms the power to regulate commerce among the several States, to establish post roads, and to raise and support armies: Therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That every railroad company in the United States whose road is operated by steam, its successors and assigns, be and is hereby authorized to carry upon and over its road, boats, bridges, and ferries all passengers, troops, Government supplies, mails, freights, and property on their way from any State to another State, and to receive compensation therefor; and to connect with roads of other States, so as to form continuous lines for the transportation of the same to the place of destination: *Provided,* That this act shall not affect any stipulation between the Government of the United States and any railroad company for transportation or fares without compensation, nor impair or change the conditions imposed by the terms of any act granting lands to any such company to aid in the construction of its road, nor shall it be construed to authorize any railroad company to build any new road or connection with any other road without authority from the State in which said railroad or connection may be proposed.

SEC. 2. *And be it further enacted,* That Congress may at any time alter, amend, or repeal this act.

Approved, June 15, 1866.

The causes for this act were that New Jersey, Maryland, and Pennsylvania had for some time obstructed the free flow of interstate commerce through their borders.

The map shows that the three States named stretch clear across the United States from the Atlantic to the Lakes, and there was no other American territory through which land transit could be had for persons and property from New York and New England on the one hand, to the West and South on the other. Yet each of these three States by legislative enactment interposed serious obstacles to interstate commerce.

New Jersey exacted not only 10 cents a head for each passenger from Philadelphia to New York over the Camden and Amboy Railroad, but prohibited that road from uniting with any other interstate carrier, and she also refused to charter any other railroad through her territory which should be permitted to carry interstate commerce. However, she did charter another railroad through the State—the Delaware and Raritan—but prohibited it from carrying other than State commerce. During the war the United States Government wanted a great many troops and a vast deal of freight transported through New Jersey which the Camden and Amboy were unable to move; and so the United States seized this other road to transport its troops and munitions, for which it paid that company the usual compensation. After the war the Camden and Amboy sued the Delaware and Raritan and recovered every dollar the latter received from the United States, which suit was affirmed by the supreme court of New Jersey. This led the Delaware and Raritan to seek relief from Congress. Such was New Jersey's contribution to the causes which led to the passage of the act of 1866.

Maryland's share was in levying a tax of one fifth of all the passenger fare collected by the Baltimore and Ohio Railroad Company on travel between Washington City and Baltimore.

Pennsylvania's part was in granting a monopoly to the Pennsylvania Central of all east and west transportation from other States; also in refusing a charter to a road to be built parallel to the great Pennsylvania Central through the northern portion of the State, for which all the capital stock had been subscribed; and likewise in revoking a charter granted to the Baltimore and Ohio Railroad to build a line from Connellsville to Pittsburgh.

There were minor impediments to interstate commerce in various other States—such as not permitting through connections between roads centering at great cities, or crossing rivers flowing between States—which also contributed to the act of 1866, but New Jersey, Maryland, and Pennsylvania were the principal offenders.

3. The third epoch is the one now upon us, which is characterized by too much consolidation and combination of transportation, just as the two first epochs were marked by two much obstruction.

Probably no act ever passed by Congress has had such a tremendous effect either in consolidating our Government or in making the industry and commerce of this country pay tribute to transportation companies. As soon as the act of 1866 broke down all barriers and spanned all intervals at State lines, by bridges over navigable streams authorized or permitted by Congress, the wholesale work of amalgamation commenced by merger, purchase, lease, reorganization, wrecking, bankruptcy, and otherwise, and it has steadily gone on with annually increasing force until now a few syndicates control most of the important railroads in the country. Whereas monopoly of commerce before the passage of that act was frequently brought about in certain localities by obstruction in transportation, it is now too often caused by the destruction of competition in transportation. Rival or competing lines have either been absorbed or pooled for the benefit of the railroads and at the expense of the public. In fact, this act, although in so few words, may be styled a general national charter authorizing all the local railroads of the different States to unite into a few great systems in defiance of any State law prohibiting it; and the prospect foreshadows that at an early day nearly the entire 150,000 miles of railroad in this country may be brought under one management, as about all its telegraphs are consolidated in the Western Union. And it may well be said that all the railroads in the United States are now interstate carriers and no longer mere State roads. When a passenger buys a ticket on a railroad to cross a State line, the fare he shall pay becomes a question of interstate commerce. So, too, when any property is to be shipped on a car to cross a State line its freight likewise becomes a question of interstate commerce, which leaves State authorities, including State railroad commissioners, no power, except to regulate petty local travel and traffic.

The Interstate Commerce Commission, in its Second Annual Report (1888), says:

> There are many railroads whose lines are entirely within the limits of a single State or Territory, which are controlled or managed with complete independence, but it is doubtful if, with the exception of the municipal street and elevated roads, and such roads as are purely adjuncts of mines or other local interests, there is one which does not to some extent engage in interstate traffic. All of them have traffic arrangements of some sort under which they issue passenger tickets over other roads, or honor those which other carriers issue, or issue or accept through bills of lading, or in some other way participate in interstate business. To render the roads most useful to the stockholders and most convenient to the public this becomes a necessity. But when this is done by any road the Commission understands that the act to regulate commerce applies to the party operating it, that such party should respond to the call for an annual report, and in the management of its interstate business should conform to the principles which the act prescribes.

As the later decisions of Federal courts sustain this view the outside syndicate "operator" of a railroad is practically not under the control either of a State legislature or a State railroad commission, but does pretty much as he pleases unless restrained by national authority.

The usual process by which the Western Union absorbed all other telegraph lines was simply to issue its own stock at par for the stock of the purchased lines; and that is the way that a few dominant railroad syndicates have absorbed most of their outside lines; or else by guarantying dividends on their watered stock as well as interest on enormous speculative or fraudulent debts, which can not be done successfully except by charging too much for passenger fare and too much for freight transportation, and too often by fleecing both the producer and consumer of the thing transported. The rule with any railroad company, when left to itself, is to charge every traffic all it can bear and survive. It would not be believed, unless all the facts could be published, that most Southern railroads in the matter of transporting early vegetables, fruits, watermelons, and the like to Northern markets, generally take all that the articles sell for, except a scant pittance; and frequently after breaking up the traffic by their greed, at some subsequent season will transport for a little less, until they have made a mathematical calculation how much tribute the business can stand and not perish.

Most other producers of railway traffic fare no better where there is no competing water or land transit; and both producers and consumers in this country have to submit by law to be fleeced enough to pay a dividend on watered stock or interest on the bonded debt of our consolidated railroads at probably three times their actual cost. Now, as every railroad which is a shipper over its own line will rob its other shippers as well as the consumers of its own shipped products, your committee again and finally recommend Congress to pass a law prohibiting any railroad carrying interstate commerce from mining or manufacturing products for its own transportation; and by giving a carrier two years in which to dispose of its mining or manufacturing business, as well as by giving a mining or manufacturing company two years in which to dispose of its carrying business, it would seem that no hardship could result to either private interest, as recommended by your committee in the bill which is herewith presented. There can be no question but that Congress has the power to do this, for the authority to regulate commerce among the States is vested by the Constitution exclusively in Congress. And Congress undoubtedly may prescribe *any condition it pleases* upon which commerce may be permitted to cross a State line short of an embargo.

Prohibiting an interstate-commerce carrier from mining or manufacturing is a mere regulation of commerce; it does not create, nor destroy, nor prevent commerce, but merely regulates it to the best advantage of all concerned in all the States—producers, shippers, carriers, and consumers. Although Congress can not directly interfere in the local affairs of Pennsylvania to prescribe a maximum of freight or royalty on anthracite consumed in the State, as the State might do, yet a national law to divorce the joint business of mining and transporting anthracite would operate to reduce the royalty on coal by freer competition in mining, and also to reduce the freight by freer competition in transportation, and thereby to cheapen anthracite not only to the whole country but more directly to relieve the long-suffering people of Philadelphia and eastern Pennsylvania. Certainly some heroic remedy should be applied to dissolve the monopoly of anthracite. That richest and rarest of coal is now so completely in the hands of seven carrying corporations that if they should see fit to shut the mines up they have the power. Any private control of a thing which the God of all designed for all should be regulated by all through the Government. As the State of Pennsylvania has hitherto proved but a pigmy in the hands of these monster corporations, let them and the world see that the pigmy has a giant for [illegible] in the National Government, which is both able and determined to separate mining from carrying.

Second National remedy: Prohibit strikes and lockouts on railroads.

Another far-reaching evil which springs from a railroad engaging in the business of mining or manufacturing also is a strike or lockout, sometimes precipitated to force employes in either business or both to [illegible] treatment, or to effect a corner in the article mined or manufactured, as was done in all probability by the Reading Railroad in regard to anthracite at Philadelphia and other markets in December, 1887, and January and February, 1888.

As the strike and lockout of its employes on the occasion referred to was one of the acts that constituted "the continued failure" of the Reading to do its duty in transporting interstate commerce, your committee has concluded also to recommend Congress to legislate against any interruption of interstate commerce by a strike, lockout, or other [illegible] on any railroad from whatever cause, except when produced by the public enemy or the act of God.

There is a well grounded suspicion that a number of railway strikes and lockouts in this country have been brought about either by wanton mistreatment of employés or by the officers of the road conspiring with outside speculators to corner some article of interstate commerce, or to wreck the securities of the road and promote stock-jobbing schemes. But, independent of every consideration as to the motives or causes which occasionally produce prolonged interruptions of interstate commerce by strikes, lockouts, or otherwise, all such interruptions should be prohibited under severe penalties.

No one familiar with our laws will contend that Congress has the power to punish strikes or lockouts in a cotton factory, woolen mill, iron furnace, or other *private* business, but that Congress has the constitutional authority, and ought to exercise it, to prohibit strikes or lockouts on railroads carrying interstate commerce, your committee thinks is almost self-evident, as it will now briefly attempt to show.

Every railroad in the United States has been declared by act of Congress to be a postal route for carrying the mail; and every such road has likewise been authorized by the act of 1866 to connect with roads in other States, so as to form an international line to transport troops, Government supplies, and interstate commerce. Again, every railroad in the Union is paid out of the National Treasury a minimum compensation of $42.75 per mile per year, up to a maximum of $1,500 per mile per year, according to weight of mail carried. The national Government has a contract with every railroad for carrying the mail and enforces it by withholding pay as a fine for each failure that occurs without sufficient cause; and the Government also severely punishes any person who obstructs the mail on any route. Now, is it not just as important to have the persons and property of the public transported "with certainty, celerity, and security" as it is to have the mail so transported, and ought not Congress to punish by fine, or fine and imprisonment, every failure to carry interstate commerce also? Many railroads in the new States of the Union were chartered by the Federal Government when those new States were Territories, and all the railroads at present built or building in the Territories were chartered by Congress or by the Territorial legislature, with the permission of Congress.

But it does not matter whether a railroad is chartered by the State or nation it is declared a public highway by either sovereign, and is treated as such by both sovereigns within the scope of their exclusive or concurrent powers. The Federal courts and the courts of all the States agree in this view.

The Supreme Court of the United States, in Olcott *vs.* The Supervisors (16 Wall., 678), said:

> Railroads, though constructed by private corporations and owned by them, are public highways. The right of eminent domain nowhere justifies taking private property for private use. Yet it is a doctrine universally accepted that a State legislature may authorize a private corporation to take land for the construction of such a road, making compensation to the owner. What else does this doctrine mean if not that building a railroad, though it be built by a private corporation, is an act done for a public use? And the reason why this use has always been held a public one is that such a road is a highway, whether made by the Government itself or by the agency of corporate bodies or even by individuals, when they obtain their power to construct it from legislative grant.
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> Whether the use of a railroad is a public or private one depends in no measure upon the question who constructed it or who owns it. It has never been considered a matter of any importance that the road was built by the agency of a private corporation. No matter who is the agent, the function performed is that of the State. Though the ownership is private, the use is public. The owners may be private companies, but they are compellable to permit the public to use their works in the manner in which such works can be used. That all persons may not put their own cars

upon the road and use their own motor power has no bearing upon the question whether the road is a public highway. It bears only upon the mode of use, of which the legislature is the exclusive judge.

The fact that the stockholders of a railroad or plank road or turnpike may remunerate themselves by fares or tolls prescribed by the law-making power does not destroy the public nature of a road. All public highways are subjects of general jurisdiction of government, because their uses are the common property of the public. This is forcibly expressed by Emmons, J., in Tolcott *vs.* Township of Pine Grove, 1 Flippin (United States Circuit Court Reports, 144), as follows:

> A railroad once constructed is instanter, and by mere force of the grant and law, embodied in the governmental agencies of the State and dedicated to public use. All and singular its cars, engines, rights of way, and property of every description, real, personal, and mixed, are but a trust fund for the political power, *like the functions of a public office.* The artificial personage--the corporation created by the sovereign power expressly for this sole purpose, and no other, is in the most strict, technical, and unqualified sense but its trustee. This is the primary and sole legal political motive for its creation. The incidental interests and profits of individuals are accidents, both in theory and practice.

The acceptance of such trusts on the part of a corporation by the express and implied contracts already referred to makes it an agency of the State to perform public functions which might otherwise be devolved upon public officers. The maintenance and control of most other classes of public highways are so devolved, and the performance of every official duty in respect of them may be compelled by the courts on application of the State. The analogy between such officials and railroad corporations in regard to their relations to the Government is strong and clear, and, so far as affects the construction and proper and efficient maintenance of their railways, will be questioned by no one.

It is equally clear in regard to their duty as carriers of persons and property. On other public highways every person may be his own carrier, or he may hire any one he pleases to perform the service, but in the case of a railroad it is different, because such a franchise is the exclusive property of a body corporate, which alone has power to use it in a manner which of necessity requires that all management, control, and use for the purposes of carriage must be limited to itself, and which, as a condition of the franchise that grants such absolute and exclusive power over and use of a public highway, has contracted with the State to accept the duty of carrying all persons and property within the scope of its charter as a public trust.

It is the duty of the State to make and maintain public highways, but it is not the duty of the State to be or become a common carrier itself upon its public highways. It may in some cases assume that duty, and whenever it does so, the execution of the duty may be enforced against the agents or officers upon whom the law devolves it. It may grant its power to construct a public highway to a corporation or an individual, and with that power its right of eminent domain, in order to secure the public use, and may make the use of the highway common to all, on such terms as it may impose as to fares and freights and furnishing the requisite facility for carrying the persons and property of the public in such manner and at such times as may be needed.

The railroad is the favorite modern highway for travel or freight, especially for long distances, and railroad transportation is a daily necessity to the community. A vast body of both statute and common law in regard to it has sprung up during the last half century. By that law the courts of the country in all the States, more or less, have compelled one railroad or another to operate its road as one continuous line, or to run passenger trains to the terminus of the road, or to make fences and cattle-guards, or to build a bridge across a stream so as not to interfere with navigation, or to compel the road to run daily trains, or to replace a track taken up in violation of its charter, or to prevent the abandonment of a road once completed.

These are all express or implied obligations arising from the charters of the railroad companies, but not more so than the duty to carry freight and passengers. That duty is indeed the *ultima ratio* of their existence, the great and sole public good, for the attainment and accomplishment of which all the other powers and duties are given or imposed. It is strangely illogical to assert that the State or National Government, through the courts, may compel the performance of every step necessary to bring a corporation into a condition of readiness to do the very thing for which it is created, but is then powerless to compel the doing of the thing itself.

This is the line of reasoning (but much abridged) that convinced the supreme court of the State of New York, in 1882, that it ought to grant a writ of *mandamus* to compel a railroad to run its trains as usual, not withstanding a "strike" or "lockout" among its employés. Some of the most distinguished members of the New York bar were employed in the case, among them Roscoe Conkling.

The facts were that the skilled freight handlers of both the Central and the Erie Roads in New York refused to work without an increase of pay to the amount of 3 cents per hour. They had been working at 17 cents per hour (or $1.70 for ten hours), and demanded 20 cents per hour (or $2 per day of ten hours), otherwise they would quit work. The railroads refused to pay such increase, and the laborers abandoned work, and as the railroads would not procure other laborers competent or sufficient in number to do the work no freight trains were run for two weeks or more, until the people instituted proceedings in mandamus to compel the running of trains as usual in spite of the strike.

There were two cases before the court based on the same facts and involving the same principles. They are popularly known as "The Freight-Handlers' Strike Cases," and are "The People, etc., *Appellants*, *vs.* The New York Central and Hudson River Railroad Company," and "The People, etc., *Appellants*, *vs.* The New York, Lake Erie and Western Railway Company," reported in 28 Hun, 543. Davis, J., in delivering the opinion of the court, among many other things (omitted for brevity) said:

> We can not bring our minds to entertain a doubt that a railroad corporation is compellable by mandamus to exercise its duties as a carrier of freight and passengers, and that the power so to compel it rests equally firmly on the ground that that duty is a public trust, which, having been conferred by the State and accepted by the corporation, may be enforced for the public benefit; and also upon the contract between the corporation and the State, expressed in its charter or implied by the acceptance of the franchise (Abbott *vs.* Johnson, R. R. Co., 80 N. Y., 31): and also upon the ground that the common right of all the people to travel and carry upon every public highway of the State has been changed in the special instance by the legislature, for adequate reasons, into a corporate franchise to be exercised solely by a corporate body, for the public benefit, to the exclusion of all other persons, whereby it has become the duty of the State to see to it that the franchise so put in trust be faithfully administered by its trustee.
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> But it is said that the State is not injured, and has no interest in the question whether the corporation perform the duty or not. The State may suffer no direct pecuniary injury, as it may not by the neglect of one or more of its numerous political officers who hold, in trust for the people, the official duties reposed in their hands; but that is no test of the power or duty of the State in either case. The sovereignty of the State is injured whenever any public function vested by it in any person, natural or artificial, for the common good, is not used or is misused, or is abused; and it is not bound to inquire whether some one or more of its citizens has not thereby received a special injury for which he may recover damages in his private

> Such an injury wounds the sovereignty of the State and thereby, in a legal sense, injures the entire body-politic. The State in such a case as this has no other adequate remedy. It may proceed, it is true, to annul the corporation, as has been done in many cases where corporations had neglected public duties, but that remedy is not adequate, for it only destroys functions where the public interests require their continued existence and enforcement. It has, therefore, an election which of these remedies to pursue. (State *vs.* Railroad Co., 29 Conn., 538; People *vs.* Railroad Co., 24 N. Y., 261; Talcott *vs.* Pine Grove, *supra.*)
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> It is not alleged or shown that the workmen committed any unlawful act, and no violence, no riot, and no unlawful interference with other employes of the respondents appear. It is urged, in effect, that the court should regard the case as one of unlawful duress, caused by some breach of law sufficiently violent to prevent the reception and transportation of freight. There is nothing in the papers to justify this contention. According to the statements of the case, a body of laborers acting in concert fixed a price for their labor, and refused to work at a less price. The respondents fixed a price for the same labor, and refused to pay more. In doing this neither did an act violative of any law or subjecting either to any penalty. The respondents had a lawful right to take their ground in respect of the price to be paid and adhere to it if they chose; but if the consequence of doing so were an inability to exercise their corporate franchises, to the great injury of the public, they can not be heard to assert that such consequence must be shouldered and borne by an innocent public, who neither directly nor indirectly participated in their causes.
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> These facts reduce the question to this: Can railroad corporations refuse or neglect to perform their public duties upon a controversy with their employes over the cost or expense of doing them? We think this question admits of but one answer. The excuse has in law no validity. The duties imposed must be discharged at whatever cost. They can not be laid down or abandoned or suspended without the legally expressed consent of the State. The trusts are active, potential and imperative, and must be executed until lawfully surrendered; otherwise a public highway of great utility is closed or obstructed *without any process recognized by law.* This is something that no officer charged with the same trusts and duties in regard to other public highways can do without subjecting himself to mandamus or indictment.

The writ of mandamus was not issued, simply because the railroads, having ascertained that the case would go against them, forthwith resumed running their trains as usual; but the decision was rendered nevertheless, with costs against the roads, and it is matter of regret that there are not many similar decisions in other States. It is hoped and believed, however, that ere long the freight handlers' strike case will have become as much of a leading case against suspending railroad trains on account of strikes as ever the Dartmouth College case was to protect vested rights.

The principles so clearly and ably set forth by the fearless and learned Judge last quoted must in the end govern all railroads in this country; and legislation ought to increase the penalties for suspending trains on account of a strike, by fining and imprisoning the controlling officers of the offending road and by placing the road itself in the hands of a receiver if necessary. Such a statute in the long run would be better for the railroad itself, by securing more faithful and efficient servants and thereby preventing costly accidents.

Within the last few years an almost universal demand has arisen for legislation by Congress to regulate rates, freights, and facilities for the public on railroads engaged in interstate commerce, but strange to say little or no agitation has been had in favor of exacting justice for the more than a million employes who carry on that interstate commerce.

The public ought, must, and will have its mails, persons, and property carried by railroads promptly. How can this be done for the best interest of all concerned—stockholders, employes, and the public?

It will not do, as recommended by many, for the National Government to take the railroads by purchase or by the exercise of eminent domain and run them by treating every railroad employe as it does an enlisted soldier in the regular Army or sailor in the Navy when it compels him to carry out to the letter every agreement in writing that he voluntarily enters into. The million of railroad employés, most of whom are also voters, would hardly sanction that sort of quasi-martial law, even if there were not other insuperable objections to it. Every railroad asserts the privilege of discharging its employés whenever it has a mind to, without notice, and of course employés ought to have equal liberty to control their labor. As long as employés merely quit work and refrain from violence they commit no crime and ought not to be punished for abandoning work that is disagreeable. Moreover, the national administration has too many political retainers and too much patronage, favoritism, and corruption now. So that to argue in favor of the Federal Government operating our 150,000 miles of railroad is a waste of time and words. If the present owners of the roads will not run them properly without strikes or other interruptions, let the Government sell them out to those who will do it. It should be no concern of the public how a strike or a lockout on a railroad shall be prevented—whether by "arbitration," "profit sharing," or otherwise. That should be an affair for exclusive consideration between a railroad and its employés.

As paradoxical as it may seem at first view, the best and surest preventive of a strike on a railroad is not to punish the men for striking, but to punish the superior officers of the road for goading the men to strike, especially if the railroad company shall be allowed two days without incurring any penalty to replace any employés who make unreasonable or unjust demands, as provided in the bill herewith submitted by your committee. The employés of a railroad will not strike unless they are grossly mistreated in some way, by either being underpaid, or overworked, or not promoted when deserving it, or by being ignominiously treated, or by being discharged without a hearing by some coarse, overbearing, money-making superior, who has no regard for the feelings of the men. The chief executive officers of every railroad ought to be born leaders of men, who can inspire their subordinates with devotion to the best interests of the road, as a successful general inspires his soldiers to serve heroically.

Every railroad ought to wish to preserve good relations with the laboring class, and no railroad can do that without according every man it discharges for cause a chance to be heard. Some permanent impartial tribunal ought to be provided for this purpose, and your committee thinks the railroad itself can best do this in conjunction with its employés without interference by the State. The employés of a railroad can not be energetic and loyal to its interests unless they feel that the road is their friend and has a special care for them. Experts in railroading are not generally well qualified for anything else, and as they become attached to that mode of life they naturally prefer it to any other as a permanent business. When they can feel at home as it were in railroad service, and have faith that they shall not be discharged except for their own misconduct, they will always be on good behavior and work for the company's welfare as well as their own.

One fruitful source of railway strikes is the gradation system of classifying conductors and engineers, and attaching a difference of pay to each grade without carrying out in good faith the promised promotions and increase of pay. Many railroads require an engineer to serve an apprenticeship of three years before he can be ranked even as second class, and not infrequently they compel him to serve another three years before he can be graded as first class, yet it is common to make so-called second-class engineers, drawing only second-class pay, do first-class duty. So too with conductors. The probationary term for them is usually eight years to be ranked as first class, still, during most of this apprenticeship they have to do the work of first-class men while only enjoying second-class rank and drawing but second-class pay. To save a few dollars, many roads systematically plan to have but few first-class engineers or conductors, either by refusing upon one pretext or another to grant an earned promotion, or by discharging first class men, or by treating them so badly that they quit work of their own accord.

In addition to the abuses of the gradation system, overwork of the men is another very prolific cause of strikes and accidents on railroads. Probably there is more overwork and less extra pay for it in railroading than in any other occupation. In many of the States, during busy seasons, and often in inclement weather, night, day, and Sunday, too, sometimes witness the toiling of railroad crews, without rest or sleep, as long as human endurance can bear it. In most employments eight, ten, or twelve hours a day constitute a day's work, but in railroading a day's labor sometimes means twenty four hours and whatever additional time the corporation requires; no matter if it be night or Sunday, no more pay is given, and if the tired employé stops to sleep before he is permitted to do so he is docked a day's wages. A conductor, too, often has to perform the double duty of his position proper and that of baggage master likewise. In this way accidents and terrible smash-ups are frequently brought about, as fatigue and enforced insomnia blunt the perceptive faculties and impair the memory so that trains are run mechanically, without regard to orders or passing points.

Engineers or conductors, or both, have been known to be asleep from exhaustion when fatal collisions have occurred. Of all laborers a locomotive engineer should be the least overworked, because his mind and senses are ever on a strain when upon duty.

Who, that has stood near a railroad when a train dashed by or stopped, has not been deeply impressed with two things: first, the irresistible and tireless power of steam; and second, the blackened, earnest, solemn face of the engineer gleaming with intelligence, courage, and silent consciousness of his awful responsibility, in which the anxious conductor always shares. Human life is too precious for a passenger train to be lightly intrusted either to an incompetent, overworked, underpaid, dissatisfied, or dissipated engineer or conductor; and a day's labor in the occupation of a locomotive engineer or conductor ought to be limited by law to a certain number of hours, if a day's work in any calling should be limited. Hence, if a railroad shall not be permitted to plead a strike of its men as a justification for suspending its trains, it would be compelled, in order to prevent them from striking, to work its engineers, conductors, and other employes only reasonable hours, to pay them fair wages, grant them just promotion, and not to discharge them without a hearing; so that such a law would tend to prevent accidents on railroads by which thousands of lives are lost every year. This would be better for the railroad itself as well as for its employes and the public, because the damage of a single accident, caused by inexpert, poorly paid, overworked employes would often cover the additional expense for a whole year of engaging enough men, and first-class men, to have prevented the accident. A well paid, experienced, fairly treated, and not overworked man, is always conservative. He is ever on the alert and never loses his head. His practiced ear or trained eye can detect the slightest disorder in a train or approach of danger.

Every long-established railroad ought also to make some provision for those of its employes who get crippled or become superannuated in its service. For all such some provision should be made by a relief association or other organization, to which the company and the men should contribute. In other words, if an employé has good treatment and a permanent situation, from which he can not be discharged unless he deserves to be, he will have no occasion to strike; in fact, he can make nothing by striking, as whenever one laborer who is getting a fair day's wages for a fair day's work throws up his job two other laborers are ready and even eager to take his place.

Competition among laborers for employment is so strong that they are obliged to be content with proper wages and reasonable treatment; but there is no competition against the railroad. It has in a measure a monopoly of hiring labor, and can pick among the many who are ever anxious to serve it when rightly treated. The railroad is master of the situation, as employés are completely at its mercy, especially if the railroad be permitted to suspend running its trains on account of a strike, which it has provoked by mistreatment of its men. Hence, Congress need not trouble itself about legislation to prevent strikes on roads carrying interstate commerce, except to give the right of private action for damages, and also to fine and imprison officials for suspending trains on account of a strike or anything else short of the act of God or the public enemy. This would simplify matters very much. All details for preserving such relations between a company and its employés as would prevent a strike may safely be left to the good sense, self-interest, and conscience of the company. The men ought to be well treated, and if they are well treated they dare not strike for fear of losing their places. Strikes but seldom occur on railroads in England. There, railroad employés are for the most part so well treated that they look upon the road in large part as *their* road:

> After a recent accident on the Manchester, Sheffield and Lincolnshire Railway the employés held a meeting and offered voluntarily to bear their share of the loss by contributing, in a body, a week's wages. This offer was not accepted by the directors, who said that the stockholders were better able to bear the loss than the employés; but it is significant as showing a state of feeling on both sides quite in contrast with that to which we are accustomed.

Since the decision of the "Freight Handlers' Strike Cases" in 1882 there has been no strike to amount to anything on steam railroads in the Empire State of New York. Nor has the justice and wisdom of that decision been called in question, and if all the States, as well as the National Government, will embody in a statute the principle enunciated in the "Freight Handlers' Cases" railroad strikes will be a thing of the past, to the immense benefit of the public as well as of the railroads themselves and of their employés.

There is no hardship in prohibiting a railroad from pleading a strike of its employés as a justification for suspending its trains. Every railroad, as before mentioned, is but "private property coupled with a public interest"—a public highway over which the persons and property of the people must pay a reasonable fare and freight, to be carried with "certainty, celerity, and security."

The owners of a railroad contract with the Government thus to do the public transportation, and they ought to be sternly held to it. The daily paper, the speedy journey, the quick express, the fast freight are absolute necessities of modern civilization, and the "innocent public" ought not to suffer for carrying facilities while a railroad is haggling with its employés about wages or some petty question of discipline.

The "innocent public" has been victimized long enough, and let us cherish an abiding faith that this country shall never again behold the humiliating spectacle of 1886, when Jay Gould's Missouri Pacific system of railroads, extending for many thousand miles through several States, stopped its freight and passenger trains on account of a strike of its employés, and the helpless "innocent public" had to lose millions of dollars, as well as be deprived of the privilege of traveling, while the governors of States and State railroad commissioners obsequiously parleyed with Gould, and all the courts, both State and Federal, in Missouri, Kansas, Arkansas, and Texas remained dumb, instead of speaking out like the supreme court of the State of New York in the Freight-Handlers Strike.

So far from following Justice Davis's decision, all that was done by the courts on that important occasion was to act in the interest of Gould against his employés as well as against "the innocent public." (See United States *vs.* Kane, 25 American and English Railroad Cases, p. 608.)

If the law laid down in the Freight-Handlers' Strike Cases could be applied to the roads owned by Jay Gould and a few other railway magnates, they would not even feel, much less express, the sentiment attributed to the late W. H. Vanderbilt, "the public be damned," when reminded that the public have some rights in railroads.

Third National remedy: Prohibit the consolidation of parallel or competing lines.

A third remedy to partly prevent a recurrence of railway or mining strikes in the anthracite regions, as well as to prevent a frequent corner in the price of coal, is to prohibit any absorption, consolidation, or combination between parallel or competing lines of transportation.

The main factor which has so long held anthracite at a monopoly price has been not only the few operators who mine it, but the still fewer transporters who move it. This, together with the fact that they mine coal themselves, explains why and how the Reading Railroad and the Pennsylvania road have gotten control of the anthracite market in Philadelphia. That city has six different routes to the anthracite fields, but those six routes have all, by absorption and consolidation, been brought under the control of the two companies named, which have combined to rob the people of Philadelphia, and impose upon its firesides an annual tribute of about $3,000,000.

What is true of Philadelphia in this regard is equally true to a greater or less extent of most of the parallel or competing lines that center in other cities, or that carry interstate commerce anywhere. The general policy of railway monopolists all over the country is to destroy competition in transportation by consolidation of rival or parallel lines. As before stated, this went on very rapidly under the first interstate commerce act of 1866, but under the second one, of 1887, which prohibited pooling, consolidation has progressed to an alarming extent. Twenty one syndicates now operate about one-half of all the railroad mileage in the Union. Of these, Jay Gould's Missouri Pacific system of roads west of the Mississippi River is the largest of all, while the strongest consolidation east of the Mississippi is Inman's Richmond Terminal, which the newspapers tell us has been or is about to be swallowed up by Gould's Western anaconda.

If this wholesale consolidation shall be allowed to continue without interruption for a few years, railroad competition promises to become almost obsolete. It is to thank that provision of the interstate commerce law which forbids "pooling of earnings" that has given such an irresistible impetus to the consolidation of competing lines. Even where consolidation has not taken place, in many localities other arrangements to evade the law forbidding a pool of earnings have been nearly as effectual as consolidation itself. The second interstate-commerce act is almost fatally defective in prohibiting only "pooling of earnings." While many railroads obey the letter of that law, they just as surely rob the public by (1) a division of traffic; (2) division of territory; (3) maintenance of agreed rates; or (4) maintenance of an agreed price of certain articles, especially those they mine or manufacture.

Producers and consumers are thus daily becoming more powerless to protect themselves against railroad monopoly. Whoever controls the transportation of any commerce gets the lion's share of the profit in it, and as competition is the life of trade in transportation as well as in producing, buying, or selling, and the like, so no interstate carrier should be permitted to absorb any new parallel or competing line. If Congress were to pass a general law to that effect, doubtless Philadelphia would in a short time construct one or more other routes to the anthracite mines to stimulate competition, and such a statute would do more or less good in every State of the Union.

A number of wealthy railroad syndicates and large banking firms in New York recently united their forces by a solemn compact, which has been flaunted defiantly in the face of the public, pledging themselves neither to permit any more railroads to be built through certain territory nor to allow many new roads now building to be completed if theycan prevent it. To preserve their monopoly of traffic, territory, rates, and prices, especially of articles they produce and transport themselves, these millionaire railroad and banking allies, if not prohibited by law, will purchase, lease, or otherwise get control of any new parallel or competing line that may hereafter be erected through their preserves.

S. B. Whiting, for nine years general superintendent of the coal mines of the Reading Railroad Company, in an unguarded or defiant moment, candidly told your committee (testimony, 171) that in limiting both the total output and the transportation of anthracite to market with a view to enhance the price, his company never once thought or cared for the "consumer," but it is, nevertheless, respectfully suggested that Congress ought to legislate a little in the interest of the helpless consumer of anthracite as well as of many other articles by prohibiting in the future any consolidation of parallel or competing lines of interstate commerce.

Fourth National remedy: Abolish or temporarily suspend the duty on bituminous coal.

But one of the best means by which the Federal Government can restrain the joint monopoly of mining and carrying anthracite is to put bituminous coal on the free list, so as to let Nova Scotia and New Brunswick compete with the anthracite regions of Pennsylvania for supplying not only domestic wants for heating purposes, but the motive power which drives the great manufacturing industries of the Middle and North Atlantic States.

As previously mentioned Philadelphia and eastern Pennsylvania consume about one-quarter of the total output of anthracite; New York City and State about another quarter; the New England States and New Jersey a third quarter; and the other States nearly all of the remaining quarter.

There is but little bituminous coal east of the Blue Ridge and Alleghany Mountains in the United States to compete with Pennsylvania anthracite, and it is only when the anthracite monopolists corner the market in the cities and workshops of the Atlantic slope that distant western bituminous coal can find a profitable market in the East.

Therefore, if Canada soft coal, which has cheap water transit to all Atlantic manufacturing sea-ports from Portland to Baltimore, could be relieved of the 75 cents per ton tariff, it would go a long way toward helping the people of the Atlantic States get their mineral fuel at a reasonable price, and thereby produce manufactured products for the whole country more cheaply than when an extortionate price, as now, has generally to be paid for anthracite.

Whenever a dollar's worth of bituminous coal will make more pounds of steam to drive machinery than a dollar's worth of anthracite will, then it is to the advantage of the manufacturer to use the former, and he ought to have that privilege to check the anthracite extortion.

Your committee therefore earnestly recommend that bituminous coal either be put upon the free list, or at least that whenever a corner or pool shall raise the price of either bituminous or anthracite coals to an unreasonable figure the Secretary of the Treasury may have discretionary power to suspend for thirty or sixty days the collection of the duty on bituminous coal.

This is only suggested, and is not provided for in the bill herewith submitted for the consideration of the House, for the reason that it is a question of revenue whether the duty on bituminous coal shall be abolished or temporarily suspended, as occasion requires, which belongs more appropriately to the jurisdiction of the Ways and Means Committee.

Congress has a serious and imperative task to perform in the near future, which is to legislate so as to prevent the producer, the shipper, the consumer, the traveler, and the railroad employé from having to pay a dividend or interest on the watered stock or extravagant and fraudulent debt of the railroads in this country upon an average capitalization of probably three times their actual cost.

Your committee regret that this report has been delayed so long. Many causes have united to postpone its presentation till now. Chief among these has been the difficulty of devising and agreeing upon remedial legislation to be suggested to the House.

Besides your committee realizes that such important legislation as it recommends would not have been hastily acted on during the present Congress, even had its report been submitted earlier.

Whether any of the measures recommended shall be adopted or not remains to be seen, but your committee has the satisfaction of knowing that it has labored faithfully to discharge the duty intrusted to it.

That the work of the committee has not been without some good results may be presumed from the fact that four days after beginning its investigation at Philadelphia the miners' strike was declared off by a satisfactory compromise, as appears by a correspondence published in the testimony, page —, between Master Workman Lewis, of the Knights of Labor, and Austin Corbin, President of the Reading Company. To effect this adjustment both sides made concessions. The miners, who had declared they would not resume work unless they should receive the 8 per cent. advance in wages at the start as demanded, yet did resume, with only a hope of receiving such advance after arbitration, which was promised them; while President Corbin, who had boasted with bluster and bravado that he would not recognize any organization of the Knights of Labor in negotiating with his men, yet did sign a treaty with them through a Master Workman of the Knights of Labor from the State of Ohio.

Another gratifying evidence of the beneficial effect of your committee's investigation was afforded by the fact that the Philadelphia and Reading Railroad Company, about the middle of last March, conceded the justice of at least one demand of its miners for a reduction in the cost of powder and other miners' supplies. This fact was published in several daily newspapers of Philadelphia and New York at the time, in the following paragraph:

> The Philadelphia and Reading Coal and Iron Company has made a reduction in the price of all supplies sold to miners. The powder which heretofore sold at $2 15 per keg will now be sold at $1.50. Other things have been reduced from 40 to 50 per cent. This reduction is as good as an advance in wages to miners.

The expenses of the committee were $3,595.64.

As the result of its investigation your committee recommend the passage of the following bill, the central idea of which is to make the provisions of the constitution of Pennsylvania in regard to her local railroads applicable and mandatory upon all interstate carriers:

A BILL to prevent the combination of carrying interstate commerce with other business, and to prevent strikes and lockouts on railroads, and also to prohibit the consolidation of parallel or competing lines of interstate commerce carriers.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after the passage of this act no carrier of interstate commerce, whether by railroad, canal, or otherwise, shall, directly or indirectly, prosecute or engage in mining products or manufacturing articles for transportation over its works; nor shall such carrier, directly or indirectly, engage in any other industrial business beside that of a common carrier, or hold or acquire land, or any interest therein, directly or indirectly, except such as shall be necessary for carrying on its business: *Provided*, That this act shall not apply to carriers of interstate commerce in the holding of land already granted to them by Congress, or by a State, to aid in the construction of their road.

SEC. 2. That no corporation engaged in mining, or in any of the pursuits of agriculture, manufactures, or commerce shall engage in the business of a common carrier: *Provided*, That any mining or manufacturing company may carry the products of its mines or manufactories on its railroad or canal not exceeding fifty miles in length.

SEC. 3. That no president, director, officer, agent, or employé of any carrier of interstate commerce shall be interested, directly or indirectly, in the furnishing of material or supplies to such company, or in the business of transportation as a common carrier of passengers or property over the works owned, leased, controlled, or operated by such company, beyond any right which naturally flows to him from being a stockholder therein.

SEC. 4. Any director, officer, receiver, trustee, agent or employé of any railroad or canal company, violating any of the foregoing provisions shall be deemed guilty of a misdemeanor; and on conviction thereof before a district or circuit court of the United States for the district in which the offense was committed, shall be fined not less than one thousand nor more than five thousand dollars for every offense, and be imprisoned not less than thirty days nor more than six months for each and every violation of any of the provisions of sections one, two, and three of this act; and on each separate day of violation or failure to comply with the requirements of any of the aforesaid sections a separate prosecution and punishment shall lie; and any stockholder or creditor of an offending company may apply to the district or circuit court of the United States having jurisdiction for a writ of injunction or other proper process for relief; and it shall be the duty of the Interstate Commerce Commission, or of any district attorney of the United States for any district in which an offending company shall exercise any of its franchises as forbidden herein, likewise to apply to the proper district or circuit court for, and the court shall grant its writ of, injunction or other proper process necessary for executing this act, which at the discretion of the court shall include, if necessary, the appointment of a receiver, who has no pecuniary interest in said offending company, and who has had none within two years, directly or indirectly, and who has no kinship with any officer or director in said offending company, by him to be managed and controlled under the orders of the court until the provisions of this act shall have been complied with to the satisfaction of the court: *Provided, nevertheless*, That if a carrier of interstate commerce which now owns, leases, operates, or controls, directly or indirectly, any mining or manufacturing property, or any other industrial business, shall, within two years from the passage of this act, sell and absolutely dispose of all its interest in such property or business, then the pains and penalties of this act shall not apply: *And provided further*, That if a company now engaged in mining, manufacturing, or other industrial business, and also acting as a common carrier, except as permitted by section two of this act, shall within a like period sell and absolutely dispose of all property and interest, either in one business or the other, and thereafter be a common carrier only, or else engage only in the other business hereby forbidden to such carrier, then the pains and penalties of this act shall not apply.

SEC. 5. *And be it further enacted*, That every railroad carrying interstate commerce shall constantly run its trains for transporting the mails of the United States and persons and property, equal at least to the average number of such trains and cars a day for every month in the calendar year to the average number run for each day of the same month of the last calendar year, when no impediment was in existence, unless such company, when required by proper authority, can show that a public demand therefor did not exist; and for every day of twenty-four hours when trains and cars are not so run and for the distance usually run, and transporting mails, persons, and property sufficiently to meet the public demand, such carrier shall be adjudged guilty of a misdemeanor, except when prevented therefrom by the public enemy or the act of God; and any director, officer, receiver, trustee, or agent, on conviction thereof before any district or circuit court of the United States for the district in which such offense was committed, shall be fined not less than five thousand dollars nor more than ten thousand dollars, and be imprisoned for not less than thirty days, nor more than six months, for each and every day when trains are not run as herein prescribed: *Provided, nevertheless*, That no penalty shall attach under this act for a cessation in the running of trains for an interval not exceeding forty-eight hours.

And in addition to the pains and penalties herein prescribed, any director, officer, receiver, trustee, or agent of any carrier of interstate commerce, which fails to transport the mails, persons or property according to its regular daily schedule of trains for carrying the same, after said interval of forty-eight consecutive hours, shall be individually liable in such civil damages to any passenger whose journey is interrupted or prevented and to any shipper whose property is not transported, as may be ascertained by any district or circuit court of the United States having jurisdiction; and the justice thereof is authorized at his discretion, to increase threefold any damages actually sustained by such passenger or shipper, and payment of the judgment for the same may be enforced as in other civil cases. And no destruction of or injury to any portion of the track, locomotives, cars, bridges, tressels, or boats of such carrier, by fire, water or otherwise, shall be a bar to a private action for damages, except to the extent and for the length of time that may be absolutely necessary to repair or replace the same; and the jury in assessing damages may determine whether such carrier has as promptly done its duty in repairing or replacing its track, locomotives, cars, bridges, trestles, or boats, as the nature of the case will admit, and if the jury find that such carrier has used due diligence, then no private damages shall be awarded.

SEC. 6. That, besides the pains and penalties prescribed in section five of this act, on the sworn complaint of any stockholder or creditor of the defaulting company, or of any citizen of the district in which said company exercises its franchise, that the trains of the company are not being run as required by this act, filed with the justice of any district or circuit court of the United States having jurisdiction, said justice shall, at any time on or after the third day from the commencement of the suspension of trains, issue a writ of mandamus or other proper process, including the appointment of a receiver if deemed necessary, to enforce the provisions of this act.

SEC. 7. *And be it further enacted*, That no railroad, canal, or other corporation, or the lessees, purchasers, or managers of any railroad or canal corporation that carries interstate commerce shall consolidate the stock, property, or franchises of such corporation with, or lease or purchase the works or franchises of, or in any way control any other railroad or canal corporation owning or having under its control a parallel or competing line; nor shall any officer of such railroad or canal corporation act as an officer of any other railroad or canal corporation owning or having the control of a parallel or competing line. Any director, officer, receiver, trustee, or agent of a railroad or canal company as aforesaid who shall in any way violate any of the provisions of this section, or permit the same to be violated, shall be deemed guilty of a misdemeanor, and on conviction thereof in any district or circuit court of the United States, having jurisdiction, shall each and all be punished by a fine of not less than one thousand dollars nor more than five thousand dollars, and be imprisoned for not less than thirty days nor more than six months for each and every day that any of the provisions hereof shall have been violated; and in addition to the foregoing pains and penalties, upon the petition of any stockholder or creditor of any offending railroad or canal company, or upon the petition of any citizen of any judicial district in which any

company aforesaid exercises its franchise, filed with the justice of any district o
cuit court of the United States having jurisdiction, making complaint that eith
the provisions of this section has been violated, or is about to be violated, said
shall grant a preliminary injunction until the facts of the petition can be inq
into, and if the complaint be established then said court shall perpetually enjoi
commission of either of the acts hereby forbidden.

SEC. 8. *And be it further enacted*, That any pool, agreement, understanding, comb
tion, conspiracy, or trust entered into by or between carriers of interstate comm
for division of traffic, or for the division of trade within a certain territory, or fo
maintenance of agreed rates of freight, or for the maintenance of an agreed pric
any particular article of commerce in one or more markets of the country, is hereb
clared to be a misdemeanor, and any director, officer, trustee, receiver, or age
any carrier of interstate commerce so offending on conviction thereof in a distri
circuit court of the United States having jurisdiction shall be fined not less tha
hundred dollars and be imprisoned not less than one month for each and every
during which any of the above offenses may be committed; and in addition t
pains and penalties prescribed in this section, the said court shall, without del
further proof, perpetually enjoin all carriers of interstate commerce any offic
which shall have been convicted of violating any of the provisions of this sec
and the Interstate Commerce Commission and the attorney of the United State
the district in which any of the offenses may be committed are especially charged
the enforcement of this act.

CAUSES, EXTENT, AND EFFECT.

By request of the chairman of the committee, the Hon. John A. Anderson, of Kansas, has prepared the following report relative to "the causes, extent, and effect" of the Reading strike, and to "the difficulties between operators and miners in the Schuylkill and Lehigh regions:"

Like the roots of a creeping vine in the woods, which are apt to be distant from the point where one crosses the vine, the causes of the Reading lock-out lie back of the period when your committee made its investigation.

An irregular belt of Pennsylvania territory, 100 miles long and 30 broad, covers the entire deposit of anthracite in the United States east of the Rocky Mountains. Only one-sixth of this belt, 472 square miles, contains coal, or an area less than that of a tract of land 22 miles square, and much less than the average county of a Western State.

The deposit is mainly in three strips, varying in width from 1 to 5 miles, and designated by geologists as the Southern, Middle, and Northern coal fields. The Southern field is 73 miles long; the Middle, 45, or, including the Lehigh basin, 57; and the Northern, 50 miles. In trade circles, however, a different grouping is made. By the Schuylkill region is meant all of the Southern and Middle fields lying west of a line drawn northerly through Tamaqua, and all of them east of that line is the Lehigh region. The Wyoming region includes the Lackawanna as well as the Wyoming basins, which together form the Northern field. The area of the Lehigh region is 8 per cent. of the whole deposit, that of the Schuylkill region is 30 per cent., and that of Wyoming 62 per cent.

On an air line the Schuylkill and Lehigh regions are about 90 miles from Philadelphia, the former being 120 miles from New York and the latter 110 miles. The Wyoming region is about 110 miles from each city. In and around these cities is the densest population of the continent, and they are our greatest manufacturing as well as commercial centers. From cooking food and heating houses to driving locomotives and whirling the myriad wheels of industrial establishments, this vast population is almost wholly dependent upon anthracite for all that vast service which fuel performs. It is as necessary to the shivering seamstress in the attic, who can only buy a bucketful, as it is to the millionaire or to the presses of the great dailies. At least one fourth of the 34,000,000 tons annually produced is taken by these cities, which are also the distributing points for the sea board trade.

Here, then, is an absolutely indispensable article of life and commerce, worth over $50,000,000 a year, made an easy prey to grasping syndicates by two geographical conditions, namely, by the singular smallness of the anthracite region, and by its remarkable nearness to New York and Philadelphia.

A monopoly of the trade can be established in either of two ways: First, by an ownership of the mines; or second, and more easily, by a control of the lines of transportation. The latter will inevitably beget the former. Coal at the mouth of the mine is relatively valueless, the consumers are not there; but when delivered at the residence or factory it possesses an imperative value. In one sense, its commercial value is created by a transfer from the mine to the place of consumption, so that the operator of a mine is wholly at the mercy of the carrier, who may charge what rates he pleases when freed from competition.

An agreement by carriers to maintain uniform rates obliterates all competition. Its effect is exactly the same as if one man alone possessed the power to carry and to charge at will. Hence the key to the existing situation of affairs, and the solution of the complex problem presented to your committee, is to be found in the simple fact that, since an essential value of coal, if not the whole of its commercial value, is conferred upon it by the act of transportation to market, he who alone performs this act controls that value. The unbridled power of the anthracite carriers and their virtual combination as to freight rates are the chief causes of the outrageous and pitiable condition of affairs brought to light by the investigation.

TRANSPORTATION OF ANTHRACITE BY WATER-WAYS.

From the outset the great obstacle to the coal trade was the difficulty and expense of transportation. Streams are the primary highways of a continent. The anthracite region was well equipped with rivers, as a glance at the accompanying map will show. The Susquehanna cuts into the Wyoming region from the north at Pittston, winds close around the western ends of the Schuylkill region, and enters the Chesapeake Bay. The eastern end of the Wyoming region is about 100 miles air line from the Hudson River, with a natural route for a canal. The Lehigh River, which is but 13 miles south of Pittston, passes near the eastern side of that region and joins the Delaware at Easton. The Schuylkill River rises in the Schuylkill region and empties into the Delaware at Philadelphia.

The Susquehanna is the larger water-way, and its navigation was the least obstructed. In 1776 Wyoming coal was floated down it in flat-boats for the Government arsenal at Carlisle, where it continued to be used long after the Revolutionary war. This was the chief thoroughfare from the Wyoming basin until the completion of the Pennsylvania system of canals. The Lehigh Navigation Company was chartered in 1798, and improved the channel of the Lehigh River. In 1803 it started six flats down that stream on a freshet, but two of which reached Philadelphia, where the coal was thrown away. Immediately after the creation of a market* for anthracite, in 1812, the company resumed opera-

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* The discovery of anthracite in each region was accidentally made by hunters—in the Wyoming 1763, Schuylkill 1790, and Lehigh 1791. It was first used by two Wyoming blacksmiths in 1768, and for forty years was only used by smiths. In 1808 the mode of burning it in grates was discovered at Wilkes Barre, but its value was little known outside of the regions.

So late as 1812 there was no market for it in Philadelphia, although repeated attempts had been made to introduce the new fuel. In that year Colonel Shoemaker hauled nine wagon loads from Pottsville, seven of which he gave away, and sold two tions, and in 1820 arks descended in safety and the present Lehigh trade began. In 1816 the Schuylkill Navigation Company commenced work on that river, and by 1825 boats made the round trip between Pottsville and Philadelphia.

The inauguration of the Erie Canal by the legislature of New York in 1816 marked a new era in American transportation. It was begun in 1817, and in 1825 boats passed from Lake Erie to New York City. The canal system of Pennsylvania kept pace with that of its rival State, New York, and speedily supplied the anthracite fields with the new highway. In 1829, the completion of the Delaware and Hudson Canal from the Hudson River to Honesdale, and a 15-mile railway to Carbondale, 108 miles, inaugurated the Lackawanna trade with New York City. By 1832 the completion of slack-water navigation in the Lehigh River, enabled boats to make the round trip. About 1830 the Pennsylvania system of canals was so far developed and connected with the New York system that coal was carried to Baltimore, Philadelphia, New York, Albany, and Buffalo. The chief obstacle to the anthracite trade was thus removed, and apparently the cheapest mode of conveyance was assured.

EFFECT OF CANALS ON THE ANTHRACITE INDUSTRY.

These canals were public highways, built directly by the State, or indirectly through its chartered agents, for the public use and benefit. Every man had an equal right to their enjoyment upon the payment of fixed, known, and reasonable tolls. This very fact rendered a combination of carriers impossible, because any person could move his own boat upon exactly the same conditions obtained by a combination. The character of public highways was sacred, it was guaranteed by Government; and the free and impartial enjoyment of them had always been enforced by civilized nations since governments began. Stealing a public highway and devoting it to the sole enrichment of a few individuals was a species of crime not dreamed of by that generation.

It was under the canal system that the large investments were made in mining property. Men bought coal land and opened mines as others bought and improved farms. Assured of a market, of improved highways, and cheap transit, there was the same inducement offered to the mine owner as to the farmer; and the foundation of that inducement was the belief that a strong and vigilant government would forever maintain the character of its highways.

The industry steadily developed. In 1820 the output of coal was but 25,000 tons; in 1830, 175,000; and in 1840, 864,000. In these two decades the total production had been 6,000,000 tons. The output in 1850 was 3,379,000 tons and in 1860 8,513,000, or a total production in these two decades of 86,000,000 tons.

The mines were worked by what are now called "individual" operators, as distinct from corporations as operators, to the same extent that

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the cost of cartage. The recipients of the former obtained warrants for his arrest as an imposter and swindler, who had represented mere "stones" as being coal, whereupon he speedily decamped. Mr. White, of the Fairmount Nail and Wire Works, a purchaser, spent a whole morning in diligent but vain efforts to use it in a furnace. Going to dinner the men naturally left the furnace-doors closed, and on return found them red hot and the structure in danger of melting under an intensity of heat before unknown. By this accident the distinctive law of anthracite—"Let it alone"—was discovered; yet it was not successfully employed in blast-furnaces for smelting iron until 1839, or seventy-one years after its first use by smiths.

farms are worked by different individuals. There was the same demand for labor by operators that there now is in cities for mechanics, and the miners secured the benefit of good wages and decent treatment. The consumer of coal also enjoyed the benefit of competition between the producing operators. The market price was only fixed by the law of supply and demand, and not as now by half a dozen railroad agents. As the stock in the cities was consumed there was a movement of anthracite from the mines to the retail yards, just as food supplies to day move from the farms to the markets. The natural laws of trade were unrestrained, and acted uniformly all along the line from the mine to the final buyer. No set of men did or could restrict the output. It was beyond their power to blackmail great cities by a sudden stoppage of fuel in midwinter.

PRACTICAL DIFFERENCE BETWEEN THE RAILWAY AND CANAL SYSTEMS AS CARRIERS.

But the advent of railways introduced a new factor into the transportation problem. In law a railroad is a public highway, precisely as is a turnpike. It can only be built by the State, and for the public use and benefit. This may be done directly, or it may be done indirectly through a corporation created by the State, and acting solely as its agent in the construction of a public work. A toll is a tax for the privilege of using public property. If the State directly furnished the money and constructed a railroad the tolls for its use would be directly paid into its treasury, and there could be no doubt as to the public character of the work. The fact that a company builds the road, and accepts as compensation therefor the franchise of collecting toll, instead of cash payment in full, makes no difference in the legal character of the highway.

If, in addition, the State grants to but one company the right to operate the road, that grant does not and can not change its character. It remains a public highway for the public use and benefit. The franchise of collecting toll for the use of a public highway is absolutely distinct from this second franchise of alone hauling over that road. Both of these franchises primarily belong to the State, and when granted by it to a corporation either or both privileges may be resumed and exercised by the State at will upon due process.

It is a perversion of this second franchise which makes the practical difference between a canal and a railway. Each is a public highway, which every man has a right to use upon the payment of fixed and reasonable tolls. The vital difference between the two is not so much in the nature of the roadway or vehicle as it is in the fact that, under existing usage, the company, by virtue of fixing the rate of toll, alone enjoys the privilege of hauling a vehicle over the road. In olden days, a turnpike company was not permitted to collect what tolls it pleased, to grade them according to the value of the different articles passing over it, or to change the rates secretly and daily. In that period no man had the audacity to propose so barefaced a swindle. As the lawful owner of the turnpike the State regulated the tolls, and protected the public against the rapacity of the company.

Yet exactly these powers are now usurped and exercised by the railways with a disregard of the public that is simply brutal, and without the least attempt by the State to classify schedules or control charges. So far from maintaining the legal character and benefit of these highways the State abnegates both its power and duty, and permits the corporation to levy tax at will. While any man could haul his boat through the canal, or his wagon over a turnpike, he can not haul his car over a railroad; that privilege is alone possessed by the company.

RAILWAYS USED AS IF PRIVATE PROPERTY.

It is a startling fact that a railway company uses a public highway as if it were solely the private property of those who own its alleged stock; and it operates that public work wholly for their personal enrichment. So far from tolls being fixed, known and equal to all, as in the case of turnpikes, they are as variable, mysterious, and multiform as the ingenuity and mendacity of "traffic managers" can make them. The testimony shows that on the anthracite roads the freight charges vary with each sale of coal; that is, the carrier takes about 40 per cent. of the average selling price of coal at tide water during the month; and all carriers maintain similar rates. The effect on the public is exactly the same whether the rates are thus determined, or whether they are varied to meet the changes of competing lines who do thus determine them.

In this there is no pretense of following the ordinary rule in other business, namely, of determining the freight rate by estimating the interest on the capital invested, the cost of transportation, and a reasonable profit for the service. That method is thrown to the winds. The simple rule is 40 or 50 per cent. of the sum which the shipper receives for his coal. Charge all he will pay without ceasing to ship—that is, "all the traffic will bear." The practice is sheer piracy, as audacious as it is merciless, and as destructive of public welfare as it is infamous in the eyes of just men.

THE EARLY STRUGGLE BETWEEN RAILWAYS AND WATER-WAYS.

But this perfection of conspiracy against the people was not attained in a day. It was the slow but sure development of many years. The first railways of the United States were built in the anthracite fields for the purpose of connecting the mines with the water-ways. Gradually they extended through the regions as new mines were opened. Their objective points were the nearest shipping places on the water ways. It was not until 1841 that the Reading furnished the first rail connection between such places and tide-water. Nine years later the Northern Central Railroad began operations from the Wyoming region, in 1850; and the Delaware, Lackawanna and Western in 1854. In 1855 the Lehigh Valley Railroad opened. Rival lines from the several regions were rapidly constructed, often by the larger operators. No less than five different roads were in competition for the Philadelphia trade, and a still larger number, in addition to these, competed for the New York trade.

Prior to the competition with each other, was the rivalry between all the railroads and the canals. The struggle between the two systems was long and fierce. A single illustration will suffice: Before the opening of the Reading road the canals carried all the anthracite. In 1842 the Reading took 49,000 tons and the Schuylkill Canal alongside of it 491,602 tons. In 1844 the tonnage of the two was about the same.

The canal was then enlarged, and in 1847 the tonnage of the road was 1,361,000 and of the canal but 222,400, the latter being 16 per cent. of the former. But from that time the canal traffic crept up, its percentage of the coal hauled by the road being as follows: In 1848, 35 per cent.; 1852, 50; 1856, 56; 1857, 75; 1858, 86; 1859, 84; and 1860, 70; showing not only a steady gain by the water-way upon the railway, but also showing a competition in freight rates so sturdy that it could not fail to benefit the public. So far from "charging all the traffic will bear," the latter could only charge the price at which the service would be performed by the other carrier. Both shipper and consumer were benefited accordingly.

The contest between water-ways and railways, far from being confined to the coal regions, became as extensive as the two systems. The roads quickly perceived the advantage of controlling the canals. In 1857–'58 the legislature of Pennsylvania, under their manipulation, sold its canals to different railways, and marked the beginning of the end. In 1870 the Reading leased the Schuylkill Canal, paying an annual rental of $600,000, and the Susquehanna Canal in 1872 at a large rental. The object thereof is stated by President Gowen in the Reading report of 1874: "It is manifestly to the interest of the company to keep as much tonnage upon the railroad as possible, and use the canal as a dripping-pan to catch whatever may overflow from the railroad!" The overflow has not been alarming, and the loss to the railroad company on the business of the canal in 1886 was about half a million dollars. The other anthracite water-ways were in time absorbed by other railroads, and virtually the canal system is to-day a mere reminiscence.

CONSOLIDATION OF RAILROADS AND PURCHASE OF COAL LANDS.

Following this contest between the two systems of water and rail carriage, there ensued one of greater fierceness between the competing railroads. The Reading sought to obtain control of the Schuylkill region, and rapidly absorbed the smaller lines. In 1865, through purchase or lease, it had acquired sixteen laterals and independent branches, twelve of which were in the Schuylkill region. The Lehigh Valley, the Jersey Central, and the Pennsylvania Companies pursued the same policy, and stubbornly contested with the Reading for the mastery. The Delaware and Hudson Canal Company, and the Delaware, Lackawanna and Western Company fought for the Wyoming trade. Weaker lines were speedily crushed and absorbed, and a few powerful systems took their places.

Not content with the ordinary methods of procuring traffic by offering competitive rates, resort was had to the policy of purchasing the mines, and in that way securing their present and future traffic. Usually this was done through an auxiliary company, which, while legally distinct from the railroad company, was yet owned by the latter. Leaping outside the legitimate province of a carrier, they invaded the domain of the producer, and by a ruthless exercise of might, instead of right, became owner, miner, and shipper, as well as carrier.

POWER OF THE CARRIER TO CRUSH THE OWNER AND OPERATOR.

It is easy to trace the steps by which the carrier would swiftly advance to an absolute mastery of the region. It rarely happens that a mine has access to rival carriers; ordinarily its breakers connect with but one road. In that case it is evidently at the mercy of the company, first, as to the promptness of service, and, second, as to the charges for that service.

The profit of anthracite mining largely depends upon the ability of the operator to work with full force. The greater the output of coal the less the cost per ton for interest and maintenance. But this ability depends upon a sufficient supply of cars to haul the coal away, the breakers furnishing but limited stowage. If cars are withheld for a brief period this stowage is glutted; the mine cars can not be returned to the miner; he can not work; there is no coal to lift; the whole vast machine stops by the clogging of the outlet, and wages stop with it.

The power of the carrier to withhold cars is optional in fact though not in law. He may allege a dozen sufficient reasons therefor, but he certainly does exercise the power with impunity; and this power holds the same relation to mining that a throttle-valve holds to an engine. The operator may desire to work steadily and full-handed, and his whole profit may swing upon his so doing. But the interest of the railway company may be antagonistic thereto, and in such event the latter commands the situation by merely failing to supply cars, or by supplying but a tithe of those really required. The operator has no redress and can have none, because there is no other line of transit.

By such "discipline" the company may advance its freight rates until it takes the greater share of the operator's profit; or it may take the whole of it and force him to stop. He has but one remedy—sell out. But who will buy? Another individual would find himself in the same position, and foreseeing that fact would not invest the large capital required. The only person who could safely purchase would be either the railway company or a few of its higher officials or their friends, who, by virtue of their relation to the management of the road, would be assured of transportation facilities and rates. As the only bidders, these men fix their own price, turn the screws and squeeze the owner until he is forced to sell to the company or its pets. It is clear that exactly this process can be applied by the company, and that it has the greatest inducement to enforce it.

The history of the regions abounds with hundreds of cases where somehow the operator has been crushed, and somehow the control or ownership of valuable mining property has passed either to the company directly or to its auxiliary. To say that men who operate railroads solely for the purpose of making money would not use this method of acquiring vast private fortunes is absurd.

It is further evident that as the competition between carriers was eliminated by the absorption of rival roads, and by the virtual abolition of water carriage, these same effects would be wrought upon a larger scale and over a broader territory. And no event can possibly be more certain than is the fact that a virtual destruction of all competition, by a practical combination of all carriers, will in due time produce these effects far more extensively and intensely. The carrier drives out both operator and owner, obtains the property, works the mine, "disciplines" the miner, lowers wages by the importation of Huns and Italians, restricts the output, and advances the price of coal to the public. It is enabled to commit such wrongs upon individuals and the people by virtue of exercising absolute control of a public highway.

The vital question is whether such a condition of things has lately existed or now exists as fairly requires that Congress, as the guardian of the public, shall by legislation protect individual rights against the aggressions of corporations operating a public highway. Nor is it to be expected that evidence taken by a Congressional committee, which has not the power to compel testimony, can be either as thorough or complete as that required by a court. For this reason we shall avail ourselves of historical records, and of judicial proceedings before a Pennsylvania court, in addition to the testimony taken by your committee.

Historical: GENERAL VIEW OF THE ANTHRACITE INDUSTRY IN 1873.

In January, 1874, Mr. F. E. Saward began the publication of an annual called "The Coal Trade." It is an accepted authority. Thomas M. Richards, of the Reading Company, says (270) "that is the best authority that we have; I do not know of any better." General Manager McLeod, and other railway witnesses, testify to the same effect. Mr. Saward gives a general view of the field in 1873, as follows: By the United States census of 1870 there were 327 collieries, having an invested capital of $50,922,285, employing 53,025 hands, and producing 15,650,275 tons, worth at the collieries $2.53 per ton average. Respecting the several regions in 1873 he says:

Of the Lehigh region—

> The prices are fixed by a board of trade, at which each operator is represented; the New York Lehigh Coal Exchange making prices for tide coal, and the Lehigh Coal Exchange at Philadelphia fixing rates for the line trade.

The Lehigh Railroad reached that city over the North Pennsylvania line, since leased by Reading.

Of the Schuylkill region—

> The mines are mainly controlled by the Reading Coal and Iron Company, which is the Railroad Company, and the company own both the rail and canal outlet from the region to the market. The price of coal is fixed by the Anthracite Board of Trade, meeting every month at Pottsville, Pa.

Of the Lackawanna basin—

> The coal lands in the upper end of the northern coal field are mainly owned by three large companies, namely, the Pennsylvania Coal Company, the Delaware and Hudson Canal Company, and the Delaware, Lackawanna and Western Railroad Company. The outlets to the market are: The Pennsylvania Coal Company by gravity railroad from Pittston to Hawley, thence by Erie Railroad to Newburgh; the Delaware and Hudson by rail to Honesdale, thence by their canal to Rondout on the Hudson River; the Delaware, Lackawanna and Western by their railroad from Scranton to Elizabethport and Hoboken. The prices for coal vary. The first two companies sell to contractors who take a certain quantity at rates fixed before the first of each month. The Delaware, Lackawanna and Western sells at auction.

Of the Wyoming basin—

> The Wilkesbarre Coal and Iron Company are fast absorbing the property in this part of the region. The coal is carried by the Lehigh Valley Railroad and the Jersey Central to tide-water at New York. The transportation rate is 40 per cent. of the average prices obtained for coal at tide-water.

RAILROAD POOLS DURING SEVERAL YEARS.

In a review of the trade for the year 1873, the following record is made:

January 3, proposed pooling by the Reading Company creates excitement.

January 5, continued excitement regarding Reading matters; several failures among retailers.

January 22, the arrangement between the companies as to combination and price of coal settled; much excitement and comment by the press.

February 26, Pennsylvania prices for March 60 cents higher than in February.

April 23, prices for May advanced; rates are 80 cents over May, 1872.

May 28, advance in tolls.

June 25, rates and tolls for July advanced; auction sales 13 cents over May.

July 23, prices and tolls for August advanced.

August 20, prices advanced for September.

October 1, freights advanced.

October 29, in order to steady prices production ordered reduced.

November 12, production falling off; concessions made in sales at New York; many collieries not at work.

December 24, stocks accumulating at shipping points; basis of wages for 1874 agitated.

Of 1874 he said:

> The price of anthracite has been much increased during the last year, owing to the very complete control of this branch of the business by the larger mining companies. In February, 1874, the combination agreed upon a basis for fixing the production which was to be carried by each railway, and fixed the prices based on March delivery, advancing each month as follows: April, 5 cents a ton; May, 10 cents; and each subsequent month 15 cents, or a total of $1.05 a ton; running stove coal from $5.35 in March to $6.40 in December.
>
> Within a year or two past the collieries in the several districts have gradually been bought up by a few leading companies, who now control the market. They are the Reading Coal and Iron Company; Delaware and Hudson Canal Company; Delaware, Lackawanna and Western; Lehigh Valley, and Wilkesbarre Coal Company; Lehigh operator's; and Pennsylvania Coal Company.

Of 1875 he said:

> The main points of the programme for 1875 are: the abrogation of season contracts; no sales of coal at auction; prices to be made each month; tonnage to competing points in same ratio as during 1874. Prices of coal were advanced as follows:
>
> Stove: March, $5.30; April, $5.40; May, $5.60; June, $5.70; July, $5.80; August, $5.90; September, $6; October, $6.10.

They were maintained accordingly.

POOL AGREEMENT OF 1876.

The programme for 1876 gives in full the agreement between the railroad companies, signed by Thomas Dickson, president of the Delaware and Hudson Railroad Company, and F. B. Gowen, president of the Reading Railroad Company, February 18, 1876, as a committee of all of the anthracite railroads. Its points are:

> Competitive tonnage shall embrace all coal which, for final consumption or in transitu, reaches any point upon the Hudson River or the bay of New York, or which passes out of the capes of the Delaware. Shipping books and tonnage accounts of each railroad company shall at all times be open to the inspection or examination of any member of the association. Any road which has exceeded its allotment in a previous month shall pay $1.50 for each ton of such excess, to be distributed among those who have fallen short of their allotment.
>
> 6. That a committee of six, one from each railway, be appointed a board of control for the year, who shall meet at least once a month and shall have power: (*a*) To establish the monthly prices at which coal shall be sold; (*b*) to provide for the increase or curtailment of the total quantity to be shipped to competitive points in any month; (*c*) to collect funds, in the proportion of yearly quotas, for the expenses of the board of control; (*d*) to employ the services of an expert accountant as an assistant to the secretary and treasurer to keep the tonnage accounts of the several companies, and to receive, examine, and report upon the tonnage returns received from each road.
>
> 7. That no commission shall be allowed on the sales of coal, and in lieu thereof there shall be a contractors' circular price established each month, * * * which shall be 20 cents a ton less than the general circular.

Prices were fixed by months, advancing from $4.40 on broken coal in March to $4.80 in December.

> All sales shall be made in cash, with 7 per cent. interest on deferred payments.
>
> (12) *That no coal shall be sold by any party in any other manner than is above provided, or at any less prices, either directly or indirectly,* than those above named, or which may from time to time be established as the monthly circular rates by the board of control.
>
> (13) That nothing but competitive tonnage shall be subject to the direction of the board of control, and that each interest shall have the absolute and exclusive control of its local trade.
>
> (14) That each *transporting company shall be held responsible for the faithful adherence to these regulations on the part of all individual shippers using its lines* to carry coal to competitive points.

The cool audacity with which the presidents contracted that the individual operators should be forced into "faithful adherence to these regulations" as to output, prices, and sales of coal would be creditable to highwaymen, and this agreement is conclusive proof as to the nature, extent, and effect of the various pools.

Mr. Saward said of this year:

> The anthracite coal trade passed through a varied experience during 1876; in the early part dullness from the inability to market coal at the high prices made by the combination, in the summer months a continuance of this depression, with much cutting of prices. In August the compact came to a sudden ending; prices were much lower, but a heavy tonnage was done during the ensuing three months, after which the trade was very dull and unsatisfactory, with low rates and small tonnage the order of the day. The rates of toll charged by the carrying companies during the year conformed to the prevailing condition of the trade, in so far as they advanced as prices advanced, and did not recede until the break occurred in the autumn, so that individuals who kept up mining were compelled to pay a high rate of toll, *while the prices were being cut by parties working with the companies.*

Of 1877 he said:

> During the year 1877 the condition of the trade is fully shown in the low prices and immense tonnages. New markets were made from the low prices—Western markets.

Of 1878: "The combination that has been formed this year holds the output well in hand." It terminated with the year, and the tonnage of 1879 was large with low prices.

In 1880 there was another pool: "Prices ranged from $1.50 per ton at tide-water higher than during 1879. To do that, however, it was necessary at times to resort to stoppage of the production and shipment."

As will be seen hereafter there has been a pool or effective understanding ever since 1880.

RESTRICTION OF OUTPUT BY THE POOLS.

We digress a moment to mark the effect these pools had upon the production and prices of coal to the public. It is to be remembered that the market for anthracite was constantly broadening, so that each year would naturally demand a greater supply. From 1870 to 1887 the increase averaged about 1,000,000 tons a year. It is a fact also that as the supply increased that portion of it which was not used in the East was taken by the Western market. An examination of the following table, showing the yearly increase or decrease, will indicate the effect of restriction by the pool.

Years.	Production.	Increase of production.	Decrease in production.	Remarks.	Average prices Schuylkill lump, free on board.	Increase of price.	Decrease of price.	Value of output, if lump coal, at average price.
	Tons.	*Tons.*	*Tons.*					
1869....	13,723,030	....	....	....	$5.31	.....	......	....
1870	16,182,191	2,459,161	....	....	4.39	.....	$0.92	....
1871. ..	15,699,721	....	482,470	....	4.46	$0.07	......	....
1872 ..	19,669,778	3,970,057	....	....	3.74	......	.72	....
1873.....	21,227,952	1,558,174	....	Pool Jan. to Aug...	4.27	.53	......	$90,643,356
1874	20,145,121	....	1,082,831	Pool	4.55	.28	......	91,660,300
1875	19,712,472	....	432,649	....do	4.39	......	.16	86,537,752
1876.....	18,501,011	....	1,211,461	...do	3.87	......	.52	71,598,912
1877....	20,828,179	2,327,168	....	No pool............	2.59	.....	1.28	53,944,984
1878.....	17,605,262	....	3,222,917	Pool	3.25	.66	......	57,217,101
1879.....	26,142,689	8,537,427	....	No pool............	2.70	......	.55	70,585,260
1880 ...	23,437,242	....	2,705,447	Pool	4.53	1.83	......	106,170,706
1881....	28,500,016	5,062,774	....	...do	4.50	......	.03	128,250,072
1882 ...	29,120,096	....	620,080	....do	4.75	.25	.....	138,320,456
1883 ...	31,793,027	2,672,931	....	....do	4.50	......	.25	143,068,622
1884	30,718,293	....	1,074,734	... do	4 50	....	.....	138,232,318
1885 ..	31,623,529	905,236	....	Pool, formal	4.50	......	......	142,306,880
1886 ..	32,136,362	1,418,069	....	....do	4.00	......	.50	128,545,448
1887 ...	34,641,017	2,504,655	....	.. do	....	......	......	....

During 1873 there was a formal pool and restriction for eight months; but after August competition became active between the railroad companies and the total production arose to 21,227,952 tons, much of it after the break of the pool. In the five ensuing years a combination more or less potent existed, and though the market would naturally have increased, say from 750,000 to 1,000,000 tons a year, the output was so restricted that in 1878 it was 3,622,690 tons less than five years before, in 1873. In the following year, 1879, there was no combination; and the production jumped up 8,537,427 tons, reaching 26,142,689 tons, or about where the natural increase would have placed it had there been no restriction. In 1880 there was a decrease of nearly 3,000,000 of tons, and in 1881 an increase of 5,000,000 of tons. In 1882 an increase of only 620,000 of tons, but in 1883 an increase of 2,673,000. During the years from 1884 to 1887 there was an absolute pool, and the total production of 1886 was substantially that of 1883, instead of being 3,000,000 of tons greater as the natural increase would have demanded.

These facts speak for themselves, and clearly show that the carrying companies effectively "disciplined" individual operators into "a faithful adherence to the pool regulations," that is, prevented them working the mines as they saw fit. Whether the operator was interested in keeping down the supply of coal and so raising its price, is not the question; he undoubtedly was. But the real point is whether a railroad company has any right whatever to force him to restrict the output, despite his wishes in the conduct of private business. There is a gross injustice in the transaction, and that these companies practiced it is beyond dispute.

IMMENSE SUMS TAKEN FROM THE PEOPLE BY THE POOLS.

For the purpose of showing the amount of money which a pool takes from the consumer, let us suppose that the whole production each year had been Schuylkill lump coal at the average prices stated by Mr. Saward. The two years when there was not a pool were 1877 and 1879, the price of coal being $3.74 and $2.70, making the average $3.22. The price in 1878, when the pool sold coal at a profit, was $3.25, which we assume to be a fair price for the purpose of illustration.

The total production in the years 1873 to 1876, inclusive, was 79,586,556 tons, which at $3.25 would have cost the public $258,656,307, but under the pool which then existed it cost them $340,440,320, or a difference of $81,784,013 taken by the pool from the consumer.

In 1878, under a pool, the consumer paid $57,217,101 for 17,605,262 tons; while in 1877, without a pool, he paid only $53,944,984 for 20,828,179; that is, he got three and one quarter millions less coal and paid three and one-quarter millions more dollars.

In 1879, no pool, 26,142,689 tons cost the people $70,585,260; in 1880, under a pool, 23,437,242 tons cost them $106,170,706; that is, they did not get as much coal by 2,705,447 tons and paid an excess of $35,585,446 for what they bought.

A combination more or less cogent existed from 1880 to 1884 inclusive, the total output being 143,568,674 tons, for which the consumer paid $654,042,173. At the average price of 1886, also under a pool, $4 a ton, he would have paid but $574,274,696, or a saving of $79,767,477.

When a pool advances the price 25 cents a ton, for each 10,000,000 tons it takes $2,500,000 from the consumer. In the two years of competition the price fell, in 1877, 72 cents, and in 1879 $1.28, and was raised by the pool 53 cents in 1873 and $1.83 in 1880.

So much for the historical statements of Mr. Saward, whose authority is universally conceded.

Judicial: PROOF OF THE EXISTENCE OF RAILROAD POOLS.

We now turn to testimony, taken by order of court, as given by the railroad officials who made and executed a formal pool in 1886, restricted the output, and in one night ordered an advance of the price of coal 25 cents, there being then 1,000,000 of tons in stock, the largest quantity ever before on hand at one time. Whereupon the State of Pennsylvania began judicial proceedings to break the conspiracy. The case was tried in the court of common pleas of Dauphin County, on a motion for a preliminary injunction, and testimony taken by examiners, the roads being ably represented by counsel. The motion was denied on a technicality. As this testimony contains valuable evidence which we vainly sought to elicit, a statement of its salient points will here be given. Reference to it will be made to "examiners," which is printed as an appendix to the evidence taken by the committee.

Mr. Joseph S. Harris, president of the Lehigh Coal and Navigation Company, who was secretary of the several pools and also of the allotment committee, produced the minutes of a meeting of the anthracite railroad officials held December 19, 1884 (Exrs., p. 10), at which it was unanimously resolved, on the motion of Mr. Gowen, then president of the Reading, "That the total output of anthracite coal required or taken by the market shall be divided among all the interests (railroads) in proper monthly or yearly quotas," and that a committee "prepare a plan for such distribution with the proper quotas to be allotted to each interest."

December 31, 1884 (Exrs., p. 12), it was unanimously agreed that the total productionof anthracite for the year 1885 should be 30,000,000 tons, as follows: January and February each, 1,500,000; March, 1,800,000; April and May each, 2,400,000; June 2,500,000; July, 2,800,000; August, September, October, November, each, 3,250,000; December, 2,100,000.

The production for fifteen months ending March 31, 1886, was to be carried by the several railroads in the following proportions: "Reading, including Jersey Central, 38.85 per cent.; Lehigh, 19.60 per cent.; Delaware, Lackawanna and Western, 16.05 per cent.; Delaware and Hudson, 11 per cent.; Pennsylvania Railroad, 8 per cent.; Pennsylvania Coal Company, 5 per cent.; New York, Lake Erie and Western, 1.50 per cent. Upon this motion Mr. Wister, representing the Pennsylvania Railroad, desired to be recorded as not voting.

"The division of tonnage was ordered to be made on this basis until the representatives of the anthracite interests (railroads) shall agree that an increased production is required to supply the market.

"Mr. John H. Jones, of Philadelphia, was appointed to keep the record of the production of anthracite by the several interests. The secretary was directed to inform each of the interests (railroads) monthly of the amount of anthracite production allotted to it."

1877 AND 1879 THE LAST YEARS WHEN THERE WAS NOT A RAILROAD POOL.

The minutes show (Exrs., 13) Mr. Gowen as stating the significant fact that the years 1877 and 1879 were "the last years in which the anthracite interests (railroads) were engaged in active competition with each other, *unrestricted by any compact or agreement;*" so that from 1879 to 1885 the roads were not engaged in active competition, being restricted therefrom by some compact or agreement.

Of the committee (p. 14, Exrs.) Messrs. Gowen and Harris urged that the agreement should extend from January, 1885, to January, 1890, while Mr. Hoyt, Pennsylvania Coal Company, favored fifteen months. Mr. Gowen said:

> For if there is a struggle for increased percentages it will result in actually increasing the capacity to produce, which is the very evil from which the trade (roads) is now suffering. Your committee believe that the best interest of the trade will be served by the abandonment of all surplus collieries, and they are apprehensive that if an arrangement is made for but one year, all of the interests (roads) will consider it necessary to keep all of their collieries ready for future operations, and some *may even open new ones* with a view of securing larger quotas in the future, and thus the very evil that it was intended to redress will be aggravated.

This allotment of tonnage was not made to the mining companies or operators, but to the seven railroad companies which carry coal, and Mr. Harris testified that "it was intended that the percentages should be preserved in the shipment as well as in the production of coal," and therefore in the production as well as shipment.

Upon the point whether the roads could control the operators in producing coal he said:

> Q. A carrying company might tell the producer that they would not carry his coal if he did not do certain things; that would be the strongest argument to get him to come into the arrangement?—A. Yes, sir.
>
> Q. In point of fact these companies, if they chose to exercise their power, would control the anthracite output of that region, would they not?—A. It certainly is true that these railroad companies could, if they chose, refuse to move cars.

Mr. John H. Jones (Exrs., 129):

> Q. What measures can the Reading Railroad Company take to restrict the production of coal by a large number of operators (individuals) and miners to the amount allotted to that company?—A. There are a good many ways in which they could restrict it, I suppose, if they wanted to.
>
> Q. It could be done?—A. It undoubtedly could be done.

But there was trouble with the Pennsylvania Railroad, which wanted a larger quota than was allotted, and a committee was appointed to labor with this company. They reported January 19, 1885, having seen Mr. I. J. Wister, and that they "had met with a courteous but decided refusal to do more than act in general harmony with the other interest as to the price of coal;" that is, the Pennsylvania would join a pool to force a high price from the consumer, but not to limit the amount of coal which it might carry. As only about 2 per cent. of the output was affected by its refusal, the pool was maintained for the fifteen months, namely, to March 31, 1886.

THE MORGAN POOL, APRIL, 1886, to APRIL, 1887.

Just before its expiration the famous Morgan meeting was held, the minutes of which are very interesting reading. (Exrs., p. 35):

> A number of gentlemen, representatives of the anthracite interests, met by invitation of J. Pierpont Morgan at his house, No. 219 Madison Avenue, on Monday evening, March 22, 1886. Mr. Morgan stated that the object in asking the gentlemen to assemble was that they might take counsel as to the possibility of preventing further injury to the interests they represented, by some concerted action looking to an arrest of the demoralization of business which resulted from the existing want of harmony. The meeting organized by calling Mr. John King, jr., to the chair, and Mr. J. S. Harris was appointed secretary. Upon the call of the roll of the different interests, it was found that they were represented as follows: The Philadelphia and Reading interest by George deB. Keim; the Lehigh Valley interest by E. P. Wilbur; the Delaware, Lackawanna and Western interest by Samuel Sloan; the Delaware and Hudson interest by R. M. Olyphant; the Pennsylvania Railroad interest by George B. Roberts; the Pennsylvania coal interest by George A. Hoyt; the New York, Lake Erie and Western interest by John King, jr.; the New York and Susquehanna and Western interest by F. A. Potts; the Lehigh and Wilkes Barre coal interest by W. T. Tillinghast; the Lehigh Coal and Navigation interest by J. S. Harris.
>
> After a very general discussion of all the interests involved and the best result that it was desired to attain, it was moved by Mr. Sloan as follows:
>
> The representatives of the anthracite interests agree upon a pool of the anthracite *to be mined* between March 31, 1886, and March 31, 1887. The output for the year just named is, for the purposes of this agreement, estimated at 33,500,000 tons. The percentage of each interest is to be determined hereafter. Any party *shipping over its percentage shall account to the pool* for the amount by which it may be found on the 31st of March, 1887, to have exceeded its percentage *at the rate of* 50 *cents per ton*. This motion being seconded by Mr. Olyphant, was agreed to by a unanimous vote. On motion, the meeting estimated that the market would require for the month of April 2,000,000 tons of anthracite. On motion, the meeting resolved that the price of coal should be immediately *advanced* 25 *cents per ton*, free on board, at New York. On motion, the meeting adjourned to meet at the office of the Pennsylvania Coal Company, in New York, on Monday, March 29, 1886, at 12 o'clock noon.
>
> At the meeting of March 29 the same parties were present, with the addition of A. Pardee, representing the Lehigh Valley operators.
>
> April 5, 1886. "The chairman, who was appointed to confer with Messrs. Roberts, Keim, and Wilbur in regard to the points raised by the Pennsylvania Railroad interests, reported that he met the gentlemen named on Wednesday, March 31, in Philadelphia, and found that 10.73 of the total output for the year was claimed as the proper proportion of the Pennsylvania Railroad interests, and that the Reading interest and the Lehigh Valley interest were both willing to make some concession from their percentages of 1885 as contributions towards the difference between the percentage allowed to the Pennsylvania Railroad interests for 1885 and the percentage now claimed by them. On motion, the report was adopted.
>
> Q. There was no meeting after that of April?—A. No, sir.
>
> Q. After that did the allotment committee take charge?—A. The allotment committee met after that.

The execution of this conspiracy was intrusted to the anthracite allotment committee, consisting of F. A. Potts, president of the New York, Susquehanna and Western Railroad; Joseph S. Harris, president of the Lehigh Valley Railroad, and E. R. Holden, Pennsylvania Coal Company. It met regularly and determined what amount of coal should be produced in the coming month, whereupon Mr. John H. Jones calculated the percentage of tonnage which each road might carry, and so informed its president, over the name of Mr. Harris, secretary.

MR. JOHN H. JONES, OF PHILADELPHIA, STATISTICIAN.

Mr. John H. Jones, of Philadelphia, is a notable figure. The "interests," as will be noticed in the testimony of railroad witnesses before your committee, always seek to impress the public with the idea that he is merely a statistical philanthropist who, only because of a natural love of figures in general and of the coal trade in particular, simply collects and records the anthracite data: and that for years he has performed the labor and borne the expense of tabulating and distributing such statistics as a sort of pastime, and for the gratification of an anxious public. All of which would be very creditable to Mr. John H. Jones, of Philadelphia.

But it seems that this was not the exact state of the case. His testimony before the examiners, January 8, 1887 (p. 99), shows that he was an assistant traffic manager of the Reading Railroad, especially charged with the rates of transportation on coal and coke; that he came into the Reading employ with the lease of the Catawissa Railroad in 1873, and had been there ever since; that he was detailed by Mr. Gowen as accountant for an association of railroad presidents, which controlled the shipment of coal from January to August, 1876, whereupon he returned to the Reading exclusively until January, 1878, during which year he also acted as statistician for another pool. January, 1879, he is in Reading, and remains there exclusively until December, 1884, but continues to collect the statistics and to distribute them, as he says (Exrs., 101)—

> Mostly for my own satisfaction. I had become somewhat interested in them, and I thought that the time would come when they might be valuable, so I continued, with my own office (Reading), at my own volition, keeping them up. The interests saw fit to favor me with their reports. I think I personally requested that they would continue to send me such statements as would enable me to keep the tonnage in a fairly accurate condition, simply as a matter of record.
>
> Q. Then I understand you that from that time on you collected them as an individual matter?—A. Yes, sir: I can only say that because I was not employed by anybody. I was working for the Reading Railroad Company at the time exclusively. With this exception, exclusively.
>
> Q. Up to what time did you continue to collect them for your individual use?—A. Up to the close of 1884.
>
> Q. By whom were you then employed?—A. I was then requested by Mr. Jos. S. Harris to continue collecting these statistics.
>
> Q. Were you paid for your services after that?—A. I was after 1884.
>
> Q. By whom?—A. By a part of the interests from whom I received the statistics.

That tells the whole story, and with charming modesty. He had naturally gotten interested in this work, and as a lover of mankind and anthracite just kept along "mostly," but not exclusively, "for his own satisfaction!" All of which was so kind in Mr. Jones and so delightfully courteous upon the part of the other railroads!

But, according to President Gowen, 1879 "was the last year when the roads were engaged in active competition with each other, unrestrained by any compact or agreement." So that there was an "agreement" between them during this very period of philanthropic devotion by Mr. Jones, statistician, and his weekly reports of the tonnages were as necessary to the roads as during the formal pool. And, too, it was so thoughtful in President Harris when the next pool was formed, December, 1884, to request Mr. Jones to "continue" to collect these statistics. He was only paid $1,000 a year by the pool for this service.

A COMBINATION OF RAILROADS EXISTS TO-DAY.

It is said by the "interests" that this pool terminted in 1887, either as the result of the interstate-commerce law or of these judicial proceedings. Possibly it did technically, but not virtually; because exactly the same things are done to-day that were judicially proven to have been done under the pool. Mr. Jones is no longer in the employ of the Reading Company. At present he is chief of the "bureau of anthracite coal statistics." He has an elegantly appointed office on Walnut street above Fourth, Philadelphia, and now devotes all his time to the collection and prompt distribution of the anthracite statistics. The visible pool machinery is in better shape now than it was then, and works exactly the same way; the same effects on the market are seen now as then; the output is equally regulated, and the prices equally maintained.

It is logical to infer that the same cause produces all these results, namely, a virtual combination of the carriers. A war between railways for traffic is not the sort of thing that remains in the dark, and nothing of that kind has been visible to the naked eye since the combination of 1884 is alleged by the "interests" to have terminated in 1887. The patent facts are stronger than their allegations, besides being more disinterested as witnesses. The testimony of Presidents Gowen and Harris and of Mr. Jones establishes, beyond all cavil, the fact that a formal pool has existed during the last twelve years, excepting four months in 1876, and the years 1877 and 1879; nor is there a particle of doubt that an equally effective agreement exists to-day.

Mr. Jones also testified (Exrs., p. 140) that the traffic officers of all the railroads that transported coal to Philadelphia held meetings, which he attended as the Reading agent, and which established the rates of freight on anthracite coal to be charged by the different roads, and that the tariffs thus established were observed by them. No sort of combination can go beyond this, and no possible competition between carriers as to rates can exist under such a practice. It is the perfection of pooling, as effective as a trust could be, and virtually makes but one carrier, who fixes rates at pleasure.

It is safe to assume that the freight agent will invariably charge "all the traffic will bear;" that is, get every cent possible for his road. He would be discharged in a flash if he did not. That these worthies acting for the presidents of the Philadelphia roads were experts in fleecing the shipper and public is shown by the evidence before the examiners.

THE RAILROADS TAKE "38 PER CENT." OF SELLING PRICE OF COAL.

It should be remembered that Port Richmond is as much a part of the city of Philadelphia as is Chestnut street. Like the wharves in Washington, it is the depot from which coal is loaded into vessels. Another fact to be remembered is that, instead of taking the mines as the starting point of coal used in the city, Schuylkill Haven is assumed to be that starting point. The distance of the mines beyond Schuylkill Haven is from 8 to 35 miles, and the freight rate charged from them to it varies from 25 to 45 cents or more, 30 cents being assumed as the "average." Cars starting from the mines simply pass through Schuylkill Haven; there is no shifting of coal from cars at that point. By this process of "lateral tolls" from the mines to Schuylkill Haven it is certain that each shipper is wholly in the power of the company, which may fix the lateral at 5 or 50 cents, wholly irrespective of the 30 cents average or of the rate from Schuylkill Haven to tide-water.

While the rate on coal for the city trade is made from Schuylkill Haven, the Richmond rate is from the mines. The former is fixed, according to the evidence, being $1.50 a ton; the latter is variable, being a percentage, 38 more or less, of the sum for which the coal is sold. This sum depends upon the market to which the coal goes from Richmond. If it is sold at points on the waters of Delaware Bay, the price is higher than if sold to points beyond the Capes; so that the freight on "harbor" coal is greater than that on "outside" or sea-board coal. In November, 1886, according to Mr. Jones, the charge for transporting coal for the city trade was $1.50 from Schuylkill Haven plus 30 cents average for laterals, or a total of $1.80 from the mines, the harbor rate $1.40 from the mines, outside rate $1.30, or a difference in rates for hauling the same kind of coal, from the same mine, on the same day, to the same city, of 10, 40, and 50 cents a ton.

There is an additional charge by the railroad company of 15 cents a ton for loading coal into vessels, which would make the harbor coal f. o. b. (free on board), $1.55, and outside coal $1.45. In that month the price to the city buyers, who themselves unloaded the car, was $4.50, and at Richmond, f. o. b., the price was $4; so that a car ready to be dumped in the city yard cost $4.50, and one ready to be dumped at the Richmond wharf cost $4 less 15 cents, or $3.85, a difference in charge of 65 cents. This discrimination against the people of Philadelphia, who consume 2,300,000 tons of anthracite a year transfers $1,495,000 from their pockets to its coal carriers. And if the rate to Richmond is "reasonable" and profitable to the company, then the city rate is beyond reason and extortionate.

The Reading Railroad Company owns all the stock of an auxiliary corporation called the Reading Coal and Iron Company, which latter mines a large proportion of the coal coming over its line. It is simply the Reading Railroad Company in every sense except the technical difference of incorporation. Mr. C. S. Harris, sales agent of this Coal and Iron Company, in his testimony before the examiners, throws light upon the subject. When asked by examiners (p. 210), "What was the price of coal in Philadelphia during August last," he replied, "It was $2.85 plus $1.50 delivered at Philadelphia."

Q. What do you mean by $2.85 plus $1.50?—A. Two dollars and eighty-five cents a ton at Schuylkill Haven for the coal, our shipping point, and $1.50 for transportation to Philadelphia, or $4.35. In October it sold for $3 a ton at Schuylkill Haven plus $1.50 railroad tolls, making $4.50 a ton delivered in cars at the city of Philadelphia. For harbor shipments $4.20, f. o. b., and for outside shipments $4.

Q. And of that $4 how much represents the cost of putting it on the vessel?—A. One dollar and sixty-seven cents.

Q. From where?—A. From the mines. We get $2.33 at the mines for the coal, and $1.67 railroad expenses from the mines.

In the cross-examination, Mr. Kaercher, attorney for the Reading Railroad Company, said (Exrs., 210):

Q. State whether or not the price (of the coal) and rate of tolls is fixed by a percentage of the price that the Coal and Iron Company receives on the sale of the coal?—A. Yes, sir: the railroad company charges 38 per cent. of the price. We sell the coal at $4, f. o. b., 38 per cent. of which would be $1.52 a ton. Then they charge us, in addition to that, the shipping expenses, 15 cents a ton. So that the railroad company receives there for delivery into the vessel $1.76 from the mines, and against delivery into a yard in the city of Philadelphia the railroad company would receive $1.80, allowing 30 cents for lateral tolls.

(P. 210.) By Mr. CASSIDY: Q. $1.67 is for what?—A. $1.67 is the railroad charge from the mines for coal f. o. b. here for *Southern shipment*—outside shipment.

Q. What did Mr. Jones mean in telling us it was $1.29?

Mr. KAERCHER. He was not referring to the same thing: he was referring to the New York and New England trade.

Mr. C. S. HARRIS. Thirty-eight per cent. of the price of the coal is the railroad law with us. Four dollars f. o. b. would make $1.52 for the railroad company from the mines, plus 15 cents shipping expenses, making $1.67 f. o. b. that we would have to pay the railroad company for every ton of coal we *ship South*, outside of the capes, beyond the capes of Delaware.

Both Mr. Jones and Mr. C. S. Harris were Reading officials of high rank, familiar with its practice, and undoubtedly each stated the fact. Mr. Jones swore that the freight rate on coal shipped north of the capes was 1.29\frac{750}{1000}$, say $1.30; and Mr. Harris testified that the rate on coal shipped south of the capes was $1.52. From which it appears that the railroad company has extorted 22 cents a ton from consumers in the Southern sea-board cities more than it does from the New York and New England consumers. If so, there were then, and are now, really four different rates on the same kind of coal from the mines to Philadelphia, viz: City, $1.80; harbor, $1.40; outside coal for Southern points, $1.52; outside coal for Northern points, $1.30; and besides these there is a rate from the mines to New York Harbor. These rates are upon stove-coal. On the smaller sizes, pea and buckwheat, the rate is 20 cents lower.

To the question [Exrs.. 220], "Why is the stove-coal rate higher than any of the other sizes?" Mr. Harris frankly answered, "Because there is more demand for it than any other size. It is the basis of prices."

Q. Is it based upon the demand for it, and not upon any difference in the cost of production?—A. Exactly; it does not cost more to produce.

And he might have added, nor more to transport.

If it be said that the examiners' evidence only shows this practice to have existed prior to the passage of the act of 1887, the reply is that the evidence before your committee, by Mr. Coxe and others, shows that the roads to-day scale the freight rate upon the selling price of coal, 38 per cent., and that the prices of city, harbor, and sea-board coal differ just as they did then, which would cause the freight rate to differ accordingly.

That such a variation of rates is a violation of the interstate-commerce act in two particulars seems evident: First, the rate itself is not fixed, known, or published, but only the process by which the rate will be fixed, and these rates are increased without ten days' notice, as the law requires; they rise and fall daily with the market price of coal. Second, there are three or four different rates for hauling the same kind of coal to the same destination under similar circumstances. In trains starting from the same point, on the same day, to the same city, there may be the same kind of coal from one shipper at $1.80, and from another at $1.30; and in the same train may be coal of the same kind from the same shipper at $1.30, $1.40, and $1.52.

This discrimination is the direct result of the elimination of competition. The Reading and the Pennsylvania Railroad, being the only anthracite carriers to Philadelphia, are able to fix the price of coal at a point just below that at which coal from New York Harbor could be sent to Philadelphia, and they make the freight charge accordingly.

This same possibility lowers the price of coal at some harbor points. New York is nearer the New England sea-board, and Philadelphia is nearer the Southern sea-board, hence the latter can demand a higher price and freight rate to Southern points, while the competition between the two cities is more active in New York and New England markets, especially those reached by the Reading Company's steamers.

ANTHRACITE FREIGHT RATES EXTORTIONATE.

That the freight charges are exorbitant appears from a comparison with other roads where so perfect a combination of carriers has not yet been made. The roads going West from the mines, according to Hon. Eckley B. Coxe, page 613, carried anthracite to Buffalo last year, a distance of about 300 miles, for $2.20, or 7 mills per ton per mile, and to Chicago, about 900 miles, for $4.50, or 5 mills per ton per mile. The Erie Canal carried coal at 1⅛ mills per ton per mile ($1\frac{12}{100}$).

Elisha P. Wilbur is president of the Lehigh Valley Railroad, and also of the Pennsylvania and New York Canal and Railroad Company. The general superintendent of the latter company reports for the year 1886: The average rate per ton per mile on the freight transported during the year was .61 of 1 cent, an increase of .09 of 1 cent over the previous year. The Louisville and Nashville Railroad hauls lumber and similar articles at 7 mills, iron as low as 3 mills per ton per mile. The grain rates from Chicago to New York are profitable at 5 mills. Mr. Roberts, president of the Pennsylvania Railroad, recently stated in the press that the entire traffic of that great system averaged but 7 mills per ton per mile. The Reading road at one time hauled bituminous coal at 2 mills per ton per mile, and was then charging ten times as much, or 2 cents, for anthracite.

Mr. Kaercher drew out the testimony that from Schuylkill Haven to Philadelphia the grade of the Reading track is with the trade, descends; "and a coal-train can haul down about as many loaded cars as it can haul back empty cars." That fact, as an element in the cost of transportation, compensates for the alleged difference of cost between a long and short haul. And the further fact that the railroad company neither loads nor unloads the coal cars, as a part of its transportation service, is also to be remembered. It simply collects, moves, and delivers the cars.

The distance from Schuylkill Haven to Philadelphia is 89 miles, and to New York Harbor 175; the distance from the mines to Philadelphia is stated at 110 miles on the average, and to New York 195 miles. On this basis the rate per ton per mile would be: City coal, 1.63 cents, harbor, 1.27; cape coal, south, 1.38; cape coal, north, 1.18; and this does not include the 15 cents for loading into the vessels.

The actual cost of hauling coal down and taking the cars back, that is, of moving the train, is shown by the Reading reports to have been in 1879, 18½ cents for the round trip, and it is less now. That would be .17 of 1 per cent. per ton per mile, or less than 2 mills. The Pennsylvania and New York Railroad, an anthracite carrier, is content with about three times this as being a good profit, or 6 mills. The Reading carries outside coal north for twice this rate, or 12 mills, but charges the city three times as much, or 16 mills. Furthermore, the coal which it sells at Richmond f. o. b. for $4, it carries 86 miles by rail to New York Harbor and sells for but $4.25.

The only difference in cost is this transportation, or an 86-mile haul for 25 cents, equal to 3 mills per ton per mile. As a carrier, not a miner, it is either charging too low a rate to New York or one altogether unreasonable to Philadelphia. Just how extortionate may be its rates to points solely on its own line, and especially its laterals, no man can ascertain. The extensive and varied assortment of facts as to rates which the Reading officials swore they did not know, and certainly did not furnish your committee, although they swore they would, is significant of their belief that a revelation of the truth would be damaging to the company. Nothing short of a judicial investigation can develop the exact truth.

SELLING PRICE OF COAL "FIXED" BY THE RAILWAY COMPANIES.

Mr. John H. Jones also stated that while the city and harbor rates remained the same in August, September and November, 1886, the outside rate changed from $1.18 in August to $1.20 in September, and to $1.30 in November. This probably indicates the fluctuation of the New York market. Of the Port Richmond rates, he swore (Exrs., 145):

> The rates, as I say, are established upon the selling prices of coal, and *they vary with every sale that was made.* There is an average price that we get from the figures *at the end of the month,* and can tell *pretty nearly* what the average rate was!

So that, instead of the price of coal at the mines being determined by the royalty, wages, and cost of mining, and so far from its price at Philadelphia being determined by the addition to the mine-price of a known and fixed transportation rate, this natural process is exactly reversed, and all these items are simply a percentage of the price for which the coal is finally sold or alleged to be sold. Whoever fixes this final price, or alleged price, holds the key to the entire situation. This is really done by the railways through their agents, but under cover of "coal exchanges," purporting to be ordinary associations of all the producers. But, even if they are, still the railway companies, being also the heaviest mining companies, control the other operators.

Mr. S. C. Harris testified before the examiners as to the machinery by which the selling prices of coal are fixed (p. 195, Exrs.):

> Q. Are you familiar with the prices of coal from time to time?—A. I am; I help to make the prices.
>
> Q. How are those prices regulated, and by whom?—A. On the second Thursday of each January of each year the coal operators of the Schuylkill region meet in the city of Philadelphia and select five men, consisting of members of the coal exchange, to meet with a committee of the Lehigh Coal Exchange of about the same number each month, to fix the prices for the ensuing month for the city and harbor of Philadelphia only—not for outside shipments. (Exrs., 198.) These committees do not represent the Pennsylvania Railroad interests. They have a meeting of their own—meetings of their agents—and fix their prices.
>
> Q. They meet immediately after you do?—A. Yes, sir.
>
> Q. And in point of fact their prices are substantially regulated by the prices you fix?—A. I can't answer that.
>
> Q. How do you know what they do?—A. We give them our circular.
>
> Q. They receive your circular before they meet, do they?—A. As a rule they do; yes, sir.

He also states that the Schuylkill Exchange has been "regulating" the price of coal in the same manner since 1874.

This Mr. S. C. Harris is the sales agent of the Reading, having charge of Philadelphia and Southern shipments, while Mr. T. A. Richards, also of the Reading, has charge of New York and Northern sales.

> Q. Where are your prices fixed for the outside trade?
>
> Mr. S. C. HARRIS (Exrs., 227). I fix them from Mr. T. A. Richards's New York circular. When he fixes his prices for the New York trade I fix mine for the Southern trade.
>
> Q. So that it is not then the price at Schuylkill Haven, but from some other point?—A. For the Southern trade, outside of the harbor, it is fixed f. o. b. Philadelphia.
>
> Q. And that is not ascertained in the same manner that you ascertain other rates?—A. No, sir.
>
> Q. What is the basis upon which that price is estimated?—A. It is regulated by the price of coal in New York. Mr. Richards fixes his circular *after he has had consultation with the parties over in New York.* I issue mine from his figures.
>
> Q. From whom do you get your rates of transportation?—A. They are made by the Reading agents.
>
> Q. From what official do you get the rates?—A. From the general traffic manager or his assistant, Mr. Jones (Jno. H.) The latter generally gives them to me.

The Reading owns a line of ocean vessels with which it supplies the coast trade (Exrs., 209). When the price of coal was fixed at Philadelphia $4.50, Mr. Harris fixed it at Baltimore and Washington $4.70, Richmond and Norfolk $4.85, Wilmington and Savannah $5, while only $4.80 at Charleston, and at New Orleans $6. So that Philadelphia, 100 miles from the mines, paid but 30 cents less than Charleston, S. C.

MODES OF CONTROLLING RIVAL RAILWAYS.

The transportation of coal from the mines to tide-water may be controlled in either of two modes: First, by a formal pool of all the independent carrying companies to fix the monthly production, and to divide the traffic among themselves in agreed proportions; second, by some sort of an understanding, no matter how reached, that each road will maintain uniform rates, and will not exceed a given tonnage—or the "harmony," "amicable relations" plan. The effect by either method is exactly the same; but the latter is the more hidden, subtle, and dangerous. It may be executed in either of three ways: First, by strong interests in one road, and by different strong interests in another road, joining in the control of a third road rival to both of the others—or the "mutuality of interests" plan; and this process can be extended indefinitely. Second, by the same persons or syndicate owning the controlling interests of all the roads. Third, by a syndicate or trust, like the sugar trust, composed of all the roads and operating them all under a single management or head. This is the clearing-house or "gentlemen's agreement" plan.

It is evident that under either of these three plans the necessity for a formal pool is removed, because the independence of the different lines is destroyed. It is also evident that in this way unanimity of action by all the roads can be secured without even a "consultation" or "understanding" of any sort by officers of different roads—such as could be proven in court and be punished by trial under existing law. Keeping these points in view let us see how far any of these methods have been adopted by the tide-water roads.

The total production of anthracite in 1886, according to Mr. Jones, was 32,132,362 tons, of which the three regions, respectively, furnished the following percentages and amounts: Schuylkill 29.19 per cent., 9,381,407 tons; Lehigh, 17.81 per cent., 5,723,129 tons; Wyoming, 53 per cent., 17,031,826 tons. In 1884 the percentages were: Schuylkill, 30.85: Lehigh, 18.11, and Wyoming, 51.04. Of the total production about 37 per cent. reaches tide-water or eastern competitive points, the remainder being largely taken along the lines, and about 10 per cent. of the total going to Western markets.

The railways connecting the three regions with tide-water are: From the Schuylkill region, the Reading, the Lehigh Valley, and the Pennsylvania: from the Lehigh region, the Jersey Central, Lehigh Valley, and the Pennsylvania; from the Wyoming region, the Jersey Central, Lehigh Valley, the Pennsylvania Railroad, Pennsylvania Coal Company, the Delaware, Lackawanna and Western, and the Delaware and Hudson. Mr. Saward states that "the Pennsylvania Railroad interest includes Shamokin coal, Lykens Valley, and some Wyoming coal. Reading is the various grades of Schuylkill. Lehigh Valley is three quarters Lehigh and the balance Wyoming. Jersey Central is about equally divided between Lehigh and Wyoming. Delaware and Hudson, Delaware, Lackawanna and Western, Pennsylvania Coal Company, all from Wyoming. Erie coal is Wyoming."

The percentages of anthracite tonnage, and the number of tons carried by the several roads in 1886 and 1884, were:

	1886.	1884.	1886.	1884.
	Per ct.	*Per ct.*	*Tons.*	*Tons.*
Philadelphia and Reading R. R. Co	36.36	36.30	11, 690, 483	11, 168, 920
Lehigh Valley R. R. Co	19.25	19.30	6, 184, 456	5, 935 254
Delaware, Lackawanna and Western R. R	16.10	16.92	5, 172, 022	5, 204, 362
Delaware and Hudson Canal Co	10.82	10.93	3, 480, 687	3, 362, 680
Pennsylvania R. R. Co	10.82	10.30	3, 478, 885	3, 169, 287
Pennsylvania Coal Co	4.35	4.55	1, 398, 179	1, 397, 946
N. Y., Lake Erie and Western R. R. Co	2.30	1.70	731, 649	484, 844
	100.00	100.00	32, 136, 362	30, 718, 293

A "COMBINE" CONTROLS THE SCHUYLKILL AND LEHIGH TONNAGE.

In 1883 the Reading leased the Jersey Central for nine hundred and ninety-nine years and operated it until January, 1887, when, being unable to fulfill the terms of the lease and being in the hands of receivers, the Jersey Central was placed in the hands of receivers. During this period the tonnage of the Jersey Central was included in that of Reading. Mr. Corbin, as president of the Reading, says in its annual report for 1886, referring to the Jersey Central:

> Friendly relations, however, have been maintained by reason of just and equitable traffic relations, and *since our last report* the control of that property has passed from the ownership at that time *into the hands of shareholders who are also interested in your property;* and while the two systems (roads) will be operated independently, there is no doubt that the *business relations will be of the closest character.* Amicable relations, profitable both to us and them, exist with all our competitive as well as allied lines.

In plain English, the syndicate which controls the Reading also controls the Jersey Central, so that virtually they are one line, as much as they were under the nine hundred and ninety-nine year lease, and possibly at less expense to the syndicate than under its terms.

The report of the Lehigh Valley road, January, 1888, E. A. Wilbur, president, states:

> Parties largely interested in this company have also become interested in the Central Railroad of New Jersey, making the relations of the two more intimate and promoting a harmony in the policy of both that should result in mutual benefit.

Of course it should result in mutual benefit! Especially as both Reading and Lehigh Valley have a "mutuality of interest" in the Jersey Central, which naturally would establish "amicable relations."

Men do not invest the large capital needed to buy railroads without a definite object and mature deliberation. And the fact that these three systems about the same time pass into a mutuality of interest for all traffic purposes, is in itself as strong evidence as the nature of the case permits that a few capitalists entertain and are executing the design of controlling the anthracite roads as far as possible, and perhaps of controlling all of them. As just stated, the roads from the Schuylkill region are the Reading and Pennsylvania, and those from the Lehigh region are the Jersey Central, Lehigh Valley, and Pennsylvania. So that this "Jersey Central deal," whether by a mutuality of interest or by a single syndicate, virtually places the whole traffic of these two regions in the hands of one set of men, excepting the tonnage of the Pennsylvania road. Of the total anthracite production in 1886, the Reading and Jersey Central hauled 36.36 per cent., and the Lehigh Valley 19.25 per cent., giving to this combination more than one-half of the total tonnage (55.61 per cent), and all of the Schuylkill and Lehigh tonnage except that of the Pennsylvania road, which carried less than 11 per cent.

The remaining tonnage (33.57) is from the Wyoming region, of which the Delaware, Lackawanna and Western (16.10 per cent.) and the Delaware and Hudson (10.82 per cent.) carry 27 per cent. (26.92). A mutuality of interest between them, and between them and the Reading, would give the combination 82.53 per cent. of the total tonnage. We have been unable to ascertain the bottom facts in the case, if indeed they can be ascertained at all. But what is known to have been effected as to the Schuylkill and Lehigh lines is certainly suggestive of what might be done with the Wyoming lines.

STRUGGLE OF THE READING RAILWAY FOR EXISTENCE.

The history of the Reading is exactly in point. Prior to its purchase of coal lands and engagement in mining it was one of the best roads in the East, paying 15 per cent. dividends on its stock, with $1,500,000 sinking fund. Its mining enterprises gradually involved and finally bankrupted it. The annual reports of Mr. Gowen clearly indicate efforts by the Pennsylvania Railroad to cripple and absorb it. Twice it was placed in the hands of receivers avowedly to prevent its acquisition by the Pennsylvania, from May, 1880, to March, 1883, and from June, 1884, to January, 1887. Control of the Reading would make the Pennsylvania the only carrier of anthracite to Philadelphia, if not the only line entering that city.

Hence the stake was large, the game exciting, and the contest fierce. The Pennsylvania being already the greatest carrier of continental traffic, the other and rival trunk lines could not permit it to acquire the Reading, and a monopoly of the Philadelphia traffic which such acquisition would permanently assure. So the contest, no longer local, passed into that mysterious realm which the public can never enter, where the mighty capitalists of America and Europe strive for the mastery of railways and of the traffic of a continent, where wars to cheapen stocks and crush rivals are ordered, where great combinations are planned and effected, where giants in mind and wealth struggle each for the others millions. During the struggle the Reading made alliances with the Vanderbilt interest, with the Baltimore and Ohio interest, and with anybody who would help it.

Occasionally the public gets a glimpse of what transpires in that realm, as through the minutes above quoted of the meeting held by a few gentlemen, upon the invitation of Mr. J. Pierpont Morgan, at his residence in New York. Drexel, Morgan & Co., are themselves giants. Just what interest that firm had in the anthracite roads does not appear. But somehow the influence exerted in that meeting, and which had not been exerted in previous meetings of the coal roads, was sufficient to cause Mr. George B. Roberts, president of the Pennsylvania Railroad, to reverse the previous action of his company through Mr. I. J. Wister, and to go completely into the pool. That was in March, 1886.

Six months later, September 17, 1886, a basis of agreement for the settlement of the Reading troubles was proposed to President Gowen by Alfred Sully and Ed. Lauterbach. It was in substance "that the present syndicate be enlarged by $1,000,000 additional subscriptions to be placed by Messrs. Sully and Lauterbach, the names and amounts of each subscription to be approved by Mr. J. P. Morgan and Mr. Jesse Seligman, the latter of whom is to take the place of Mr. Austin Corbin as the representative of the new subscribers in the management of the syndicate." "That the reconstrustion trustees be increased to thirteen members by the addition of A. Sully, R. D. Dow, John Wannamaker, and Charles L. Borie." Certain changes were made in the plan of reorganization, one of which was that "the voting trust," which votes the whole stock of the Reading Company, "to be for five years and to consist of five persons, of whom four shall be Mr. Morgan, John Lowber Welsh, Henry Lewis, and John Wannamaker, who shall select a fifth"—Mr. Corbin; "that the syndicate secure the immediate appointment of Austin Corbin as an additional receiver, and that the presidency be offered him."

The same day, September 17, Mr. Gowen resigned the presidency. Mr. Morgan approved the subscription and accepted the plan, and the deal was consummated. The Morgan and Corbin interests had become one. Three months later the Reading passed out of the hands of receivers and into the hands of the syndicate, with Austin Corbin as its president. The full correspondence is of record by the examiners, page 234.

The evidence before the examiners shows beyond all dispute that the anthracite roads were formally pooled from January to August, 1876; from January to December, inclusive, 1878; and from 1884 to the date of the examination, January, 1887, with every reason to believe that an equally effective "understanding" exists to-day.

It shows that the syndicate controls, directly or indirectly, all of the tide-water lines from the Schuylkill and Lehigh regions, excepting only the Pennsylvania Railroad, and more than half of the whole anthracite tonnage; that competition between carriers as to rates is eliminated, and that a meeting of the several freight agents established rates for all the Philadelphia roads; that the freight rates on competitive coal change with every sale made, being about 38 per cent. of the price received; that the carriers can and do restrict the production of coal and advance its price to the public; that the people of Philadelphia pay 50 cents a ton more than the people at competitive points farther from the mines; and that the Southern buyer pays a greater freight rate than the New England buyer. It is difficult to imagine how the carrier could commit greater depredations upon national commerce, more flagrant violations of law, or greater abuses of individual and public rights. That such wrongs require immediate redress and prevention at the hands of Congress is certainly apparent.

ACQUISITION OF COAL LANDS BY READING RAILROAD COMPANY THROUGH ITS COAL AND IRON COMPANY.

Where a railroad company has unrestrained ability to determine what share of the operator's profit it wants, sooner or later it will take all the profit and the property itself. The Reading Company is expressly prohibited by the limitations of its charter from engaging in any other business than that of a carrier. First, it was incorporated as a railroad company only, and possessed no other powers than those expressly conferred by its charter; second, this grant of power was limited by and dependent upon the following proviso:

> *Provided*, That nothing herein contained shall be considered as in any way giving to the said corporation any banking privileges whatsoever, *or any other liberties, privileges, or franchises* but such as may be necessary or incident to the making and maintaining of the said railroad, and the conveyance of passengers, and the transportation of the mail, and of goods, merchandise, and commodities thereon.

An open attempt to repeal these provisions would have been certainly defeated. Accordingly, President Gowen procured the passage of an act chartering the Laurel Run Improvement Company, May 18, 1871, which provided that its stock might be taken by an existing railroad company. The hand of the Reading was concealed. The name was changed by a decree of court to the "Reading Coal and Iron Company," and the whole stock, all water, is held by the railroad company. The transaction was a fraud, because by indirection conferring upon the railroad company a power which its charter expressly stipulated that it should not exercise.

In the annual report of 1871 President Gowen says that various reasons "have directed the attention of the managers of the company to the necessity of exercising some control over the *production* of coal." That was frank, to say the least! It was not the transportation of coal, which was the only act the Reading could legally perform, but the "production" of coal that it intended to control. "And it is believed that the best way of accomplishing this result was for the company to become the owner of coal lands situated upon the line of its several branches."

The report for 1872 states that the Coal and Iron Company "has continued to increase its ownership of lands, and now controls over 80,000 acres of coal lands, upon which there are 98 collieries, most of them worked by lessees, but 27 of the largest of them are now owned and worked by the company." In 1874 the lands aggregated 100,000 acres. Additional collieries were acquired in subsequent years; for example, 2 in 1880, 14 in 1883–'84, and 4 in 1885–'86, making over 120 in all. Yet, in 1887 only 34 of these were worked by the company, together with 11 that it leased from other parties, a total of 45. In that way "some control over the production of coal" has been exercised with a vengeance.

Article 17 of the constitution of Pennsylvania, adopted in 1873, provides:

> No incorporated company doing the business of a common carrier shall, directly or indirectly, prosecute or engage in mining and manufacturing articles for transportation over its works; nor shall such company, directly or indirectly, engage in any other business than that of common carriers, or hold or acquire lands freehold or leasehold, directly or indirectly, except such as may be necessary for carrying on its business; but any mining or manufacturing company may carry the products of its mines and manufactories on its railroad or canal not exceeding 50 miles in length.

The contention of the Reading is, that since the coal company was chartered in 1871 and the constitution was not adopted until 1873, the latter is *ex post facto* and null as to the former. Waiving this point, and assuming that the constitution is legal and operative since 1873, is it not apparent that the "holding or acquisition" of lands by the Reading is squarely in violation of the mandate, "nor shall such company directly or indirectly engage in any other business than that of common carriers, or *hold* or acquire lands freehold or leasehold, directly or indirectly." The Reading Company is either directly holding and mining coal lands as the owner of its coal company, or else it is indirectly so doing through the coal company. Since the adoption of the constitution it has acquired eighteen collieries, either freehold or leasehold, and it certainly is still holding all the coal lands previously acquired. The prohibition to hold at all, while it may not be retroactive, is certainly operative as to a continuance of holding. No alleged vested right derived from a charter, whether procured by a trick or fairly, can deprive the State which granted it of the power to forbid the company to *continue* to hold coal lands, or of the power to require it to dispossess itself of them. There can be no question of the right of the State to at least prohibit a railroad company from acquiring additional land.

EFFECT OF RAILROAD OWNERSHIP OF MINES.

In 1872 individual operators worked 71 of the original 98 collieries. In 1886 only 13 were operated by individuals, a decrease of 58, or nearly 6 to 1. The effect upon miners and their wages is evident. Before the lands were purchased over 90 different employers were in competition for labor. Now there are but 14 employers, and 13 of these are absolutely in the power of the other one. The reports show the number of mines idle to have been, in 1880, 15; 1882, 9; 1883, 8; 1884, 12; 1885, 10; 1886, 15. This inevitably forced a steady reduction of wages.

Another mode of restricting the production was that of running the collieries only about half the time when operated. The miner was kept in ignorance beforehand as to what days he could not work, and his wages for the month were affected accordingly. In the report for 1883 President Gowen shows the "idle working days" to have been, in January, 6; February, 9; March, 9; April, 6; May, 9; June, 6; July, 6; December, 9; and adds "an arrangement has already been entered into by all the anthracite companies for the suspension of mining during 39 days in the months of January, February, and March (1884). As the winter is the proper time to suspend work, and as the 39 days of idleness already provided for, in addition to the 9 days of idleness in December, 1883, should be sufficient to avoid surplus production prior to the end of the present fiscal year, the prospect of a very remunerative business for eight months' full work during the coming as against the four months' full work during the past year is a very fair one." The reports state that "mining was suspended by agreement" in 1881, 51 days; 1882, 48; 1883, 39; 1884, 106. Instead of 310 working days in the year, the days actually worked were as follows, omitting fractions: 1878, 167; 1879, 243; 1880, 174; 1881, 198; 1882, 206; 1883, 227; 1884, 191; 1885, 220; 1886, 233; 1887, 237.

RESTRICTION INCREASES THE COST OF MINING.

This system, which is in force now as much as it ever was, besides being a terrible hardship to the miner, is injurious to the operator. Mr. Whiting, for years the superintendent of the Reading Coal Company, reported in 1880: "The increased cost per ton of mining is very largely due to the restricted production and to the method of restriction, namely, running alternate three days, and keeping all the collieries in working condition with all the standing expenses, instead of stopping part of them and working the balance full time." Mr. J. S. Harris testified before the examiners: "We can produce coal 30 to 40 cents a ton cheaper when running full than if at one-half capacity." Mr. Gowen, in 1883: "When the company is relieved from the burden attending the suspension of mining during stated periods of the year, the profits of share-holders must be very large."

George de B. Keim, president of the Reading Railroad Company, in 1884 reported:

> It can not be denied that the system of mining coal under which this company has been operated, in consequence of its relations to other mining companies for several years, for various reasons, has deprived it of its proper share of the coal output. It is believed that under amicable arrangements with rival companies (railroad) its

> proper share of tonnage can be alone secured by such arrangement as will give to the companies a fixed proportion of the total output, thereby enabling this company to reduce the number of its collieries, and concentrate its operations at the most profitable, working them full handed all the time. By doing this the expenses of mining can be decreased so as to render this branch of the business of the company a source of revenue instead of outlay!

Mr. Gowen, in a speech to the stockholders in 1884, said:

> The traffic of the railroad company has fallen off under the system that required it to work half time, or nearly half time, for two-thirds of the year.

At the same meeting Mr. Lawson said:

> Each company can realize what it desires without having to break in upon the time two weeks now, or a month then, or another week at another time, thus disorganizing its labor, throwing out of employment its laborers, and putting them all on the anxious bench. (Reading report, 1884, p. 40.)

In 1885, Mr. Whiting (p. 73) said:

> The plan of allotting the tonnage for the year to each interest has enabled us during the year 1885 to decrease the number of working collieries, and increase the working time of those in operation, thus decreasing the proportion of fixed charges or expenses for pumping, ventilation, repairs, etc. The result of these and other economies that have been enforced this year shows a decrease of 23.8 cents in the cost per ton this year as compared with 1884.

George de B. Keim, president of the Reading Railroad Company, 1885, in the annual report, says:

> It is probably true that more resolute and decided action on the part of all producers would have secured better prices, but this company had the alternative of adhering to the agreement made at the beginning of the year, upon the principle believed to be the best that could be adopted *for the regulation of the trade*, or of engaging in a contest which would have led to still lower rates. By that arrangement a proportionate share, namely, 38.85 per cent. of the total anthracite coal tonnage was allotted to this company. Thereupon the coal and iron company arranged to reduce the number of its collieries in active operation, and to work only so many of the most profitable.

All of which shows that the original design of controlling the *production* of coal, as stated by Mr. Gowen, has been completely executed as to the Schuylkill region.

THE INWARDNESS OF JOHN DOE'S BOOK-KEEPING.

An important effect of this auxiliary company is that while the coal of the railroad company pays bare cost of transportation, that of the individual operator pays in addition thereto the profit charged by the carrier. To illustrate: A man named John Doe years ago engaged in the business of a wagoner between Reading and Philadelphia. He was the only one. He also owned cows and made butter, as did many of his neighbors, for which there was little demand in Reading and a good market in Philadelphia. The profits made by Doe as carrier went into the pocket of Doe the individual, as did the profits on butter. If, as a matter of book-keeping, Doe as carrier charged Doe as butter maker 10 cents a pound for hauling butter, the only effect was that he made 10 cents less on butter and 10 cents more as carrier, but added nothing to the cash in John Doe's pocket. Either way the expense of transportation was bare cost, while the expense to his neighbors who shipped butter was bare cost plus the profit Doe charged as carrier. He could sell it at a less price in Philadelphia and do well, while they lost, for he had just the advantage over other butter-makers of the profit charged by him as carrier.

Hence, it is quite immaterial to him whether or not John Doe as the Reading Railroad Company charges John Doe as the Coal and

Iron Company for hauling his own coal. An amount equivalent to the freight which he fails to make as operator, because increasing the cost of his coal at Philadelphia, he makes as carrier. Either way the company gets the money all the same, and either way it has just the advantage over other operators of the carrier's profit. If for any reason Doe wished to show that he had lost money in mining coal, and had made money as a carrier, or *vice versa*, an increase or decrease of the freight rate would accomplish that object without affecting his pocket.

For years the incorporated John Doe has gone through this farce with himself as railroad company and as coal and iron company.

In the report for 1887 President Corbin shows that the profit of the Coal and Iron Company in 1884 was $341,923; the loss in 1885 was $124,679. The loss in 1886 was $1,147,053; the profit in 1887 was $1,448,482, or a change in these two years of $2,595,535.

In 1886 Mr. Corbin as receiver makes a doleful report. At that time the thumb-screw was being applied to the share-holders to force them to subscribe 10 per cent. cash, or else have all the stock destroyed by a foreclosure of mortgage; and $12,463,942 were raised by that process. The syndicate was also bringing pressure upon the junior securities preparatory to floating a new general mortgage of $100,000,000, at 4 per cent. interest, as prior to the first, second, and third preference income mortgages at 5 per cent. interest, which was to be paid if earned, otherwise not. A very nice arrangement for the debtor company. And so in 1886 the objective point was to show the general worthlessness of all of the company's property. He said:

> This decrease in net earnings, $1,147,053, was mainly occasioned by the decrease in the price received for coal. The receipts from the sale of coal were 11.5 cents per ton less in 1886 than in the year 1885, and were 27.4 cents below the price per ton received in 1884. The average prices obtained for coal *at the mines* were, in 1884, $1.81.1; 1885, $1.65.2; 1886, $1.53.7.

These were the prices after John Doe, carrier, had deducted his charge for hauling the coal. Mr. Corbin (p. 123) says:

> Who fixes the price at Schuylkill Haven?—A. "Nobody. The price of coal at Schuylkill Haven is fixed by the result of the coal business for the month. The price at Schuylkill Haven is what it nets to the company, *less the tolls to the various points*. We take five, six, or seven collieries of our own mines and draw from the earnings of the various collieries a given number of collieries, and we take the result." Has the railroad company in any way guarantied the payment of the coal companies' indebtedness? "I think they practically owe that indebtedness by reason of the ownership of the stock; besides, *when the coal company is stuck*, the railroad company *has trusted them for the tolls and never got their money!*"
>
> Q. Then in that case the railroad company has hauled their coal for nothing, and at the same time charged individual operators, which has been a discrimination in freights?—A. No, sir. In one case we lost money in mining. The coal company did not have money enough to pay. Last year they paid their tolls promptly.
>
> Q. How much is the indebtedness of the coal company to the railroad company for tolls which were not paid? Can you furnish these statistics?—A. Yes, sir; I think I can [but did not]. I want to say this: We have never intentionally lost any money by the coal company. We got stuck once, but it was unintentional and impossible to avoid it. We do not intend to let them stick us any more.

RAINBOW BOOK-KEEPING.

In 1887 the report is rose colored. The object was to float the bonds in the United States and Europe. The price of coal at the mines jumps from $1.53.5 in 1886 to $1.84.9, making a difference of $2,595,535 in the two years. The floating debt of $29,779,273 of the two companies is wiped out thus:

> The spirit of concession which prompted the creditors of the companies to assent to the plan of reorganization, and the promptness with which the assessments were

paid by the creditors and share-holders, $12,463,942, with the excellent results of the year's business, enabled the companies on January 2, 1888, to terminate the receivership and resume possession of their properties and business (p. 13). (Page 19.) Various items to the amount of $20,043,775.83, which have been carried as assets on the books of the railroad company for a number of years, have been charged to profit and loss and *closed into the capital accounts* of the company.

The same action was taken in respect to $13,301,740.73 standing upon the books of the coal company. This cool method of getting rid of a small debt of $33,345,516.56 by the book-keeping trick of charging it to profit and loss and to capital account is one which individuals are not able to follow. Is it honest?

But the specific point in his testimony we are seeking is the remarkable statement in speaking of Mr. McLeod, general manager:

> While we have done an increased business (*after eliminating the transportation charges from the gross receipts and expenses of the coal company*) shows an increase in the gross receipts of both companies of $4,820,582, and a decrease in expenses for both companies of $273,867.

Just how the transportation expenses on coal could appear in the gross receipts of the coal company, though they would in the gross receipts of the railroad company and in the gross expenses of the coal company, is something of a conundrum to the uninitiated.

So it seems that John Doe, carrier, has mercifully forgiven the debt of John Doe as coal miner, when he was not "able" to pay freight, but that hereafter no foolishness of that sort will be tolerated. The railroad company does not intend to let the coal company "stick us any more"—and Mr. Austin Corbin said that without the suggestion of a smile!

CONCEALMENT OF ACTUAL RATES ON COMPANY'S COAL.

The ignorance of the Reading officials as to the rate of freight paid on their own coal was very surprising. President Corbin did not know, nor did Superintendent Whiting. General Manager McLeod could not say, and the President of the coal company, George de B. Keim, was charmingly uncertain. His company shipped in 1887 6,246,422 tons, which it sold for $18,856,550, and on which it paid freight to the railroad company, $6,014,051, or one-third of the receipts. So large an item of expense should naturally impress itself upon the responsible executive officer. Yet, listen to Mr. Keim, who abounds in "impressions:"

Q. What would it cost me to transport that coal over the Reading to Philadelphia?—A. That is the question you asked Mr. McLeod. I do not know.

Q. And he said he could not answer it. You have been shipping a great deal of coal and ought to know.—A. I have been connected with the company a long while, but the toll sheets change somewhat and I can not tell you. I can only tell you by reference to memorandum.

Q. Do toll sheets vary much in the course of two or three months?—A. To a certain extent they do. The traffic manager is here and could answer those things.

Q. Do you know what the price would be from Schuylkill Haven to Philadelphia?—A. I think it is $1.80 a ton, but will not be positive.

Q. One dollar and eighty cents a ton?—A. That is my impression; it varies very much.

Q. Twenty-five tons would be $45 per car to draw that car 90 miles; is that correct?—A. Yes; your figuring appears so. If I am correct in my prices the deduction is very easily made.

Q. Does your mining company pay the railroad company $1.80 a ton for carrying your coal for that distance?—A. We pay to the railroad company exactly what others pay. That is my impression. My impression is that the rate is $1.80 to the city of Philadelphia.

Q. I understand that you pay what others pay?—A. Yes, that is my impression of what we pay, and when you asked me I tried to tell you. *I may not be right*, but as actual consignors we would be "charged" that amount, *and we would pay that* or *try to pay it* (and there he let the cat out of the bag).

Q. In a small way I do some shipping myself, and I know just what it costs me a car to ship from one point to another. You are shipping millions of tons of coal, and it does seem to me that if you would press your memory a little that you ought to form some idea of the cost of shipping this coal.—A. I propose to show you; I told you that it was $1.80 a ton.

Q. Is it not about the fact that no account is kept between the coal and the railroad company for freights?—A. No, sir; the account is kept to a farthing.

Q. Is it kept every day?—A. Yes, sir; *without knowing that* I say yes, sir. Every day just as regular as anybody else.

Q. Just as with other shippers?—A. Yes, sir.

Q. The books of the coal and iron company show that?—A. They would.

Q. Can you produce those books and let us examine them? We would like to know something about this in some way.—A. Yes, sir (but did not).

CONTROL OF PRODUCTION BY WITHHOLDING RAILROAD CARS.

One of the most glaring outrages practiced by the carrier on the producer is that of regulating the number of railroad cars which the operator may have. Mr. Brumm, member of Congress from that district, stated (pp. 3 and 4) that a man named Brennan, nicknamed Dunnan, has been for years employed by the railroad company to gauge the capacity of a mine, and to decide the number of cars to which it would be entitled under the allotment system.

A collier might be able, if he were permitted to work just as he pleases, and he were given all the cars he wanted, to ship three hundred cars a day. But the Reading system says to him, "You shall not ship your three hundred cars a day, because if you do so you will ship more than we do. Your capacity must be limited to our capacity, and you must get cars in proportion to our capacity." And it is Mr. Brennan's business to gauge these capacities. * * * They employ this man, and they make the allotment. They are masters of the situation, and give just as many cars as they see fit.

Mr. Corbin (122) admits the employment of Dunnan, and states that the "object is that the mines shall not be supplied with any more cars than they used, and if we are short of cars they shall be fairly divided with the people who ship over the road. Sometimes we have a large supply of cars; then again we do not have so many. We endeavor to furnish the various parties who ship over the road as near evenly as we can."

Mr. Whiting, general superintendent of the coal company (p. 173–175), speaking of the 18 per cent. of the total production which at one time was allotted to the coal company, says that "it was made according to the relative capacity of the different producers, their relative capacities to produce as ascertained by the production of previous years." That Brennan had been for a number of years employed by the railroad company, and "known as a car-rater;" that it was his duty "to visit colliers that wanted their collieries rated as to their producing capacity. He went through certain formula, examined the capacity of production, etc., and deduced from that formula the number of railroad cars that collier could ship."

Jno. McCutcheon, a gray-haired miner, selected by fellow-miners at Shenandoah to give evidence, also speaks of Dunnan (471) to the effect that he divided the cars to the shipper according to his estimate of the capacity of the mine. Whether Dunnan is now upon the pay-roll of Doe as carrier, or of Doe as coal company, is immaterial. He is paid by Doe, and does what Doe bids him to do.

INDIVIDUAL OPERATORS "DISCIPLINED" BY WITHHOLDING RAILROAD CARS.

W. H. Lewis, superintendent of the William Penn colliery, near Shenandoah, an individual operator, and dependent upon the railroad company for cars, after a deal of close questioning (pp. 381–'2) let out the fact that the railroad company, under the allotment system, had apportioned the output, and had said:

> "Unless you unload these cars we can not give you any more." We could not unload without we found a purchaser, and sometimes it was pretty hard to unload them.
>
> Q. If you could not find a purchaser, what did you do?—A. If I could not sell the coal I did not want the cars.
>
> Q. I want the fact as to whether you were limited in the number of cars?—A. I do not *think* we were.
>
> Q. Could you get all the cars you demanded?—A. Oh, no; we could not.
>
> Q. Why?—A. Because they were loaded; that is why there were no cars. I could always get cars when there were empty cars, and I could get my *proportion* of them. * * * The coal exchange, when it could not sell its coal, would resolve not to work for three days until they satisfied themselves the cars were unloaded.
>
> Q. Now, I ask you whether there were not individual operators who wanted to work and wanted cars, and the company refused to give them?—A. Some of the parties *were corrected that way.*
>
> Q. Who was corrected?—A. I suppose there were individual operators who wanted to take advantage of their neighbors and run when nobody else was running. I think we had an operator up here at one time who tried to do that. I do not know how he succeeded.

Mr. Coxe, an individual operator, also indicates the same practice.

The mere fact that Dunnan was employed, and is to day employed, to rate the number of cars which should be supplied to each mine, according to his estimate of its capacity, tells the whole story. The allotment, of which abundant proof has been given, could not be enforced except by the railroad company; and the long continuance and present existence of that system is the best evidence that it was and is absolutely enforced by the withholding of cars.

THE RAILROAD COMPANIES BUY THE OUTPUT OF INDIVIDUAL OPERATORS.

It is probable that the railroad company, through the coal company, buys at the mines the great bulk of coal produced by individual operators; first, because it can force them to sell, and second from the evidence.

Before the examiners Mr. John H. Jones testified (Exrs., 156):

> I suppose it would be proper to explain there that a good deal of the tonnage of some of the northern companies, the Delaware, Lackawanna and Western and the Delaware and Hudson Canal Company, is what is called contract tonnage; that is to say, they buy or contract to have coal mined from the mine, and they take the entire product of the colliery, of course, and may supply one month to the Delaware and Hudson and another month to another company, according to the way the coal is sold.
>
> Q. Do you mean to say that the railroad company purchased coal, or merely agreed to transport it to market?—A. I understand it to be the practice of some of the companies (railroad), although I do not *know* that it ever was the practice of the Philadelphia companies to not only mine coal and sell, but to contract of different parties and take the product under an arrangement of their own; they call them contractors.
>
> Q. As purchaser?—A. Yes, sir; I do not say that the railroad companies did that.
>
> Q. It was a sort of leasing of the property?—A. Yes, sir. It is a practice that prevailed to a greater or lesser extent *during my whole knowledge of the coal business.* In the case of the Delaware, Lackawanna and Western, I believe they conduct their whole business within their own corporation, and buy and sell just as a corporation. The Delaware and Hudson Canal Company do the same. What I mean by that is, *They have no auxiliary companies* respecting coal interests.

Mr. S. C. Harris, sales agent of the Reading Company (Exrs., 195), said:

> Q. What do you mean by operators; miners?—A. No; those who operate and work coal mines we call operators.
>
> Q. And those who ship coal also?—A. Operators *at times* ship their own coal, *but they sell it to shippers as a usual thing.*

Before your committee, Mr. W. H. Hines, of Wilkes Barre, speaking of the Lehigh region (533), says:

> Nearly all these individual operators do not send their coal to market. They prepare it, and they sell their coal in the cars to these larger coal companies, who are in a combination. Individual operators are controlled by the combine.

Hon. Eckley B. Coxe (621) says:

> One-third of our capital is invested in the selling business. We buy from people who do not have a selling department. They do not put any capital in their selling department, and they sell to A, B, C, or anybody. They, of course, have to take less than a man who has a selling department, because they save all that capital, all the trouble, and all the risk. If I buy 10,000 tons of coal from you and sell it, you get your money from me at once, instead of waiting, and there is always a certain amount of losses.
>
> Q. If you buy of me 10,000 tons of coal, I ought to know just what you make?—A. You do not know, because we may buy the coal when the market is dull and pile it up, because we have the capital to do it. There are always people who simply mine coal and have to sell as they produce it. There are times when a man is loaded up with coal and comes to you and asks you to take $5,000 or $10,000 worth of coal.

The statement of the sales agent of the Reading Coal Company clinches the matter; it is the largest seller of anthracite, and has the most extensive selling department: Operators *at times* ship their own coal, but they sell it to shippers *as a usual thing*.

EFFECT OF THE RAILROAD MONOPOLY ON WORKMEN.

We turn to another great branch of the subject, namely, the effect upon miners and laborers of this continued and ruthless domination by the carrier.

During the first forty years the mines were worked by individuals, just as are farms. The hundreds of employers were in active competition with each other for labor. The fundamental law of supply and demand alike governed all parties. As to engagement, employer and employé stood upon a common level of equality and manhood. Skill and industry upon the part of the miner assured to him steady work, fair wages, honest measurement, and humane treatment. Should these be denied by one employer, many other employers were ready to give them. The miner had the same freedom as to engagement, the same reward for faithful service and protection against injustice, that the farm hand possesses because of the competition between farmers employing hands.

With the development of the railway system and its peculiar methods the law of competition was steadily restrained, and finally suspended. To-day seven great carrying companies are the real operators in the whole region, and have either driven out the many individual operators or else absolutely control the few that remain. This virtual combination of all employers into one syndicate has practically abolished competition between them as to wages, and gradually but inexorably the workmen have found themselves encoiled as by an anaconda, until now they are powerless.

FIRST POINT OF DIFFERENCE BETWEEN MINERS AND OTHER ARTISANS; LIMITED DEMAND.

It is difficult to exaggerate the degree of their helplessness. In order to fully realize it one must remember that the vocation of an anthracite miner requires distinctive knowledge and deftness, just as in other industries. He is a skilled artisan, who only by years of experience attains proficiency. This is more or less true of all the varied forms of labor in preparing coal, for while boys pick out slate, yet even that requires practice. Furthermore, the skill of the miner has no value in other vocations. Bar the anthracite region against him, and he is reduced from a skilled to a common laborer. The fruits of a long apprenticeship and practice are thereby taken from him. In the mine he is a superior workman, and commands wages accordingly. Out of the mine both his superiority and wages vanish.

Another fact is, that mining is the sole industry of the anthracite region proper. Relatively, there is neither agriculture nor manufactures. The few towns which supply the wants of its population would disappear with the extinction of mining. Hence the demands for labor are in the mining, preparing, or transporting coal. As one witness put it, "the only work a man can get here is either at a mine or on the railroad." If the anthracite fields were as extensive and scattered across the continent as are the bituminous fields, or as is the demand for carpenters, then the miner could better his condition by migration. But now he must either remain in the region or, throwing away his skill, must begin life anew by learning a different vocation. Just to the extent that men of experience, with dependent families, can not afford this sacrifice are they in the grip of the operator. Here is the first point of vital difference between the status of an anthracite miner and that of other artisans.

SECOND DIFFERENCE: FALSE STANDARDS OF PAYMENT.

A second point of difference lies in the fact that while mechanics generally are paid a fixed and known sum for a given amount of labor, the wages of the miner are indefinite, variable, and not foreknown. A carpenter agrees for $4 to do ten hours' work, or a printer for so many cents will set 1,000 ems. The wages to be paid are precise and foreseen. But the wages of the great majority of miners so far from being, say, 10 cents a cubic yard, or 10 cents an hour, are a percentage of the price for which the coal sells, and this price varies with every sale.

The method of determining wages is clearly stated by Hon. C. N. Brumm (7) as follows:

> In the Lehigh region the wages are fixed at what is called the $5 basis, which means that miners shall get a certain sum of money per week, day, hour, or car, whenever coal sells at $5 at Elizabethport, the New York shipping point. That is, that the laborers outside or inside the mine shall get a certain rate of wages. This $5 at Elizabethport is the price of the coal, including the cost of mining and the freight, showing that the freight is an element that is calculated in fixing the price, and that it ought to be separate and distinct, and have nothing to do with what freights are to Elizabethport.
>
> In the Schuylkill region the basis is $2.50. A great many do not understand why the basis is $5 in one region and $2.50 in another. It is simply because the price is regulated by the scales at tide-water or by the scales at Schuylkill Haven or Port Carbon. Mr. Gowan, ex-president of the Reading Railroad, at one time regulated the [illegible] wages by the tolls (freight rates), not by the price of coal at Schuylkill Haven, and when Mr. Corbin tells you that the present price of coal will not warrant [illegible] of higher wages, it is because they regulate the price of coal at the shipping point, and if it is losing at that point they can make up the loss by raising the freight rates.

Should a farmer for years agree to raise wheat at, say, 60 per cent. of the price obtained in New York, he would certainly be entitled to know just what that price was and just how much the carrier charged for transportation. To deny him this knowledge would justify the suspicion of rascality somewhere, and if an arrangement were perfected by which neither he nor the public could ascertain what the New York price was, this suspicion would be intensified.

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sponsible; under what guaranty are they
We are not speaking of the particular indi-
ment. It is a fraud on its face. If the sys-
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tive agency in the accomplishment of their pur-
Coal Company thus determines what is the selling
so doing can "regulate" wages at its own sweet

clerk of quarter-sessions, Schuylkill County, says

> 1870, the Anthracite Board of Trade, a body composed of operators,
> ntatives of the miners in Pottsville and Philadelphia, and the miners
> what the price of coal was in the market; but after the great strike of
> ganization of the miners collapsed, and during all these years uninter-
> there has been a certain percentage taken from the miners' pay; sometimes
> as high as 30 per cent. The coal market was controlled, and the Coal Ex-
> ssued every month a circular stating that the wages of the miner would be
> per cent. below the $2.50 basis.

oseph S. Harris, president of the Lehigh Valley Railroad, testi-
ore the examiners (p. 65):

> ges of the miners in the anthracite region are *regulated* in various ways.
> high and Schulykill regions they are paid a percentage of the selling price

same connection he states that as a result of the pool of 1885
of wages paid was 10 per cent. lower than in 1884.

HE RIGHT OF A MINER TO KNOW THE ACTUAL PRICE.

he 22,000 men in the Reading collieries, who spend a life-time
zardous and arduous labor of mining, and whose wages are a

and interfering with their private rights. Certainly it is the natural right of the operator to decide the price at which he sells his own coal and to keep that price a secret. But when an operator agrees with a miner to pay him, say, 10 per cent. of the selling price, by that agreement he grants to the miner an indefeasible right to know precisely what is the price. A knowledge of the price is no longer the private and exclusive property of the operator; it is now equally the property of all the partners, and was voluntarily made so by the operator. Had he agreed to pay 40 cents a ton, then certainly the miner could have no claim to know the price realized. But an agreement to pay a percentage of the price vests in the miner the right to know whether the agreement is honestly kept. To assert anything else is to say that the operator may swindle the miner justly and lawfully; and that his own mere assertion, and not the terms of the agreement, shall decide a dispute between the parties.

Reverse the case. Would Mr. Corbin be willing to take the mere say so of the miners as to the number of tons of coal they allege themselves to have cut? Would he not claim the right to verify their allegation? And when he is paying them, say, $800,000 a month as a percentage on the sales of coal, have not they an equal right to verify his allegation? Just wherein exists the unreasonableness of their request so to do?

The percentage agreement forces the miner into partnership with the operator. In business circles the broker who refused to reveal to all the partners the price at which he sold the bonds of copartners would be promptly punished. And no operator, having made the percentage contract with his miners, and refusing them a representation in the ascertainment of the actual price, can reasonably expect to be regarded as an honest man by honorable men. The inducement to commit fraud is altogether too great for average human nature.

Any practice which places the earnings of thousands of laboring men and boys at the mercy of a corporation or operator is against public policy, an infringement of individual right, subverts good order, and should be declared unlawful. Were all the laboring men of America similarly in the clutch of the employer, revolution would instantly follow the refusal of a legislature or Congress to assure them legal protection.

THIRD DIFFERENCE: FALSE STANDARDS OF MEASUREMENT.

A third point of difference between these miners and other workmen is equally startling. With the latter the standard of measurement, both as to work and money, is fixed and known. Those who labor by the day have a definite period of so many hours. A mason can tell when he has laid 1,000 bricks, and a plasterer can know just how many square yards are in a ceiling. The standards of measurement for the miner are variable. He is not paid by the ton, but by the "wagon," or by what the operator chooses to call "a yard." These wagons are of different sizes in different collieries. The operators allege that 1 ton of anthracite fills 48 cubic feet of space, while it is estimated by others at from 35 to 42 cubic feet; and in the different collieries the miner is paid by the wagon, be its capacity what it may.

Superintendent Whiting says (128):

Q. How many cubic feet does a wagon hold?—A. This is also extremely variable; from 70 to 120 cubic feet.

Q. Do you estimate the wagon-load at so many cubic feet, or so much weight, or simply a box full?—A. It is a wagon-load; we do not weigh that output at all.

A mine "yard" is even more variable, and is everything else than a standard cubic yard.

James G. Broderick, for twenty years a Lehigh miner, says (524):

Q. Can you explain what sort of a contract the miner makes with the operator when he mines by the yard?—A. He gets so much per yard in the breast.

Q. Do I understand you to say you measure a yard that way, and a yard that way, and make a square?—A. No; in this mine we work 10 yards wide, a yard in, and the thickness of the vein, 32 feet.

Q. So it is a varying quantity?—A. The vein runs 32 feet as the average; you have got to take the whole of that down.

Q. Ten yards in front, 1 yard in, and 30 feet up, whatever the thickness of the vein is; that you call a "yard?"—A. Yes, sir; that the operators call a yard.

Q. What sort of a "yard" is it—a yard that is 10 feet one way and 3 feet in and 20 or 30 feet up—what sort of a yard is that?—A. That is what the operators call "a yard," and these are the terms under which you make your agreement—10 yards wide, a yard in, and the thickness of the vein; that is the contract the operators will give.

Q. And how much does he get for taking it out?—A. From $7 to $10.

Q. According to what?—A. According to *the hardness of the place.*

Q. The thickness of the vein would influence it?—A. No, sir; not there.

Q. Suppose a vein was 40 feet thick?—A. The same.

Q. Then he would get no more for taking out one of 10 or 40 feet high?—A. No, sir.

WAGONS AND YARDS GROW!

JOHN H. DAVIS, miner for twenty years in Schuylkill:

Q. When you mine what you call a yard of coal now, do you mean more coal than you cut when you mined a yard of coal in 1869?—A. You are working a breast, say 8 yards wide. Then you would get $8 for a yard at that time. Now, in place of 8 yards, it varies from perhaps 12 to 15, and it takes you nearly twice the time to make your 8 yards. It nearly doubles it.

Q. Do you get double pay?—A. No, sir; you only get $4.50 to $5 a yard.

Q. Do you now work 13 yards for $4.50 and $5, where you worked 8 yards for $8 in 1869?—A. Yes, sir.

Q. In other words, you do 50 per cent. more work for 50 per cent. less pay approximately?—A. Yes, sir. I might tell you that in 1875 a certain wagon was 72 cents. You will ask, how much do you get for it to-day? I will answer, 72 cents. Then you will say you have had no reduction of wages; you get the same pay as you got then; but it is a reduction, because *the wagon has grown tremendously since then!*

Q. What is the difference in the amount of coal now required to fill a wagon from what it was then?—A. It will take from 1,500 to a ton more. In some places it takes more than that. Wagons vary in size; some hold 2 tons. Where they are working by the wagon the wagons generally grow, and when you are working by the yard the yard grows.

Q. About how much have they grown?—A. It is hard to answer, and I can not answer it and do the subject justice.

W. H. Hines, Wilkes Barre (536):

The miner to-day is forced to do double work now for what he did at that time (1875) for a less price, in this way: They had a system here of enlarging the cars. For instance, the car was made to hold a ton, and that car increased to a ton and a half within a few years, while the price of filling the car did not increase.

Q. Did it decrease?—A. It did; this reduction of which I spoke took place. There were three reductions to my knowledge.

Q. Then he got less for mining a ton and a half than for mining a ton?—A. Yes, sir.

When A agrees to pay B 10 cents a cubic yard for excavating a cellar, both standards are fixed by law, viz, what constitutes a cent and what constitutes a cubic yard. A has not the power to say that 5 mills shall make a cent, or that 5 feet shall make a yard. But it is wholly within the power of the operator paying wages to make a half a cent to be a cent, or to make 35 yards to be 1 yard. He simply says, "Take out so much coal which I call a yard, and I will pay you such a percentage on the price which I say I received for it." Suppose other workmen were paid that way, or that bankers were paid what the borrower said they ought to have, how long would men work or lend money?

Mr. Jos. S. Harris testified before the examiners (p. 67):

My own rule when I was in charge some years ago at the mines was this: I told the men that when there was reason to think that they were not getting an adequate return for their work, if they would notify their boss it would come to me. I told them to go on working, there was no necessity for stopping at all, and I would have the matter investigated. The first thing I directed the boss's attention to was whether the men were doing honest work, or whether they were shirking, and we sometimes kept up an investigation *for two or three months*. It was always understood that if I found their complaint well founded, the advance in the price should date back to the time at which they called attention to it. I suppose *in one case out of four* I made the advance, in others I declined to make the advance; said they were not entitled to it.

So that practically the boss is the judge in the case, and he may use this power as a terrible weapon for "disciplining" the men or for gratifying his personal spite.

"THIMBLE-RIGGING" BY DOCKAGE.

Nor does the outrage stop here. The miner is required to furnish enough coal as it comes from the vein to give the operator a ton of coal freed from slate and impurities. When a wagon goes to the top the operator says whether the wagon is a wagon, or only part of a wagon. **John McCutcheon** (p. 465) said:

If they find too much slate among the coal they dock you; if the wagon is not full enough to please them they dock you.

Q. Who is it that docks the men?—A. It is a man on top.

Q. Of course he is an expert coal man; he must be to do that fairly?—A. Sometimes he is; sometimes he is a man who never was inside a mine.

Q. In that case he would be liable to misjudge coal?—A. Well, yes.

Hon. D. M. Evans, Hazelton, a miner and member of the Pennsylvania legislature (499):

There is another source of profit to the operator. I found while I was mining that one-fifth to one-tenth of my output was docked at the top of the breaker. The company docked it, claiming, as they would notify on their dockage-paper, that there was too much dirt, too much slate, or light loading. These were the excuses given by the company. A man would send out a car and they would dock the whole car, and it cost three-fourths, or a half, or one-fourth more.

Q. You mean they would only allow you for one-half of a car or one-third of a car, the rest was dead loss?—A. Yes; that which they docked was a total loss.

Q. Was that docking done fairly?—A. No; it was not fairly done.

Q. Do you mean to say that you would send out a car load of coal and the whole car would be docked, and that the company would use the car containing coal and ship it to market?—A. Yes, sir.

Q. Can you give me an instance within your personal knowledge of that kind?—A. Oh, yes. I was always docked in my output; every month I was docked.

Q. Of a whole car?—A. Yes, sir; of a whole car; on many occasions I was put on the paper as a whole car.

Q. Did you complain about it?—A. Most assuredly. We struck about it on one occasion.

Q. If your statement is true, it is absolute stealing.—A. It is true.

Q. That you would send out a car of coal fit for market, and the company would take that car of coal and put it in their breakers and refuse to pay you for it?—A. Yes, sir.

Q. You state that as a matter within your personal knowledge?—A. Yes, sir. I have been afflicted with it myself!

Q. What company did that?—A. The Upper Lehigh Coal Company.

Q. When did they do that?—A. They did it right along as I worked in the mine, on more than one occasion.

Q. Did the docking boss treat you individually that way?—A. He treated all that way. He docked it when it was loaded wrong, and would take and dump that coal into the breaker.

(P. 500.) Q. Would it be fair to the employer to pass all coal put into the wagons, first class and poor coal, without any docking?—A. No; we do not ask that.

> Q. Then somebody has got to decide?—A. Yes, sir.
>
> Q. Now, if the man who does, decides it honestly and is an expert, that is all you have a right to ask?—A. I believe we have a right to claim to have a man on there representing us, the same as the coal miners in the West have a check man representing them.
>
> Q. Would you be willing to have deducted from your earnings to pay the wages of an additional man to judge with the expert?—A. Most assuredly we would.
>
> Q. And when they disagreed, how would you adjust it?—A. By arbitration.
>
> Q. That is the settlement you would prefer and advise?—A. Yes, sir.

Hon. Eckley B. Coxe, one of the largest operators in the Lehigh region, says (p. 600):

> The idea of dockage is to force the miner to keep his coal clean. I am far from saying that there have not been many cases of dockage which have been unjust. I have been less able to see my way clear in dealing fairly with the dockage question than with any other part of my business. There is no reason whatever that the men should not have one of their own employés at the breaker. They are entitled to it, and there is no reason why they should not.

That dockage may be necessary no one questions. That it may be only a pretext by an unscrupulous operator for stealing coal from the miner is apparent. That the miner should have a representative in docking, and an arbitration if necessary, is as clear to honest men as is sunlight. For years the operator, under the guise of docking, has had the power to take 5 or 50 per cent. more coal than he pays for, and he has it to-day. The exercise of such power by one party to the contract at the expense of the other parties is against public policy, and it should be regulated by statute. As a guardian of the people a Government is bound to assure protection to these thousands of miners against the cupidity of the operator, and should, by law, fix the standards of measurement, and compel publicity as to the actual price of sales.

FOURTH DIFFERENCE—LABOR RESTRICTED.

A fourth difference between other workmen and miners is in the freedom to work full time. A carpenter employed by a builder expects to put in ten hours a day, and as many days in the week as the weather permits. A seamstress or others doing piece-work at home can labor any number of hours. The miner is really a job worker and is paid according to the product, instead of by time. Ostensibly he has liberty to work when and as long as he chooses. But in reality he is restricted by the number of wagons furnished. When the narrow space where he may put coal is filled his labor must stop. Each unnecessary handling of the coal reduces his profit, so that he is completely controlled by the supply of mine-cars.

Hugh McGarvey (p. 51) states:

> The miners can not get enough cars each day to make a fair day's wages.
>
> Q. Why?—A. As I stated, the winter weather interferes with the running of the colliery, and the men do not get more than three or four cars a day sometimes, and it takes five or six to get an average day's wages.
>
> Q. Is that incidentally dependent on the weather, or is it premeditated?—A. As to the weather it is incidental to be sure. That has always been a source of more or less complaint in the mines. There are more men in the mines than are wanted for the output. It has been the case ever since the war. In good weather it would take say sixty or seventy miners in the mine to keep the breaker going; in bad weather one-half of that could do it; and under the working of this inhibitive policy the mines were stopped, so that when they did work they could send out as much as possible.

Superintendent Whiting (p. 169):

> Q. What about refusing cars there?—A. I am not aware that cars have been refused; I do not believe they have *except in matters of discipline.*

ENFORCED IDLENESS TO REGULATE OUTPUT.

Hon. C. N. Brumm (p. 6):

When by working full-handed they mine more coal than their allotment amounts to they prevent the men from working by ordering lock-outs. This they have been doing ever since 1875 periodically. They have issued their orders, time and again, that from a certain day a man will only be permitted to work, say, three days a week; at other times only so many hours a day; at other times only be allowed to work so many weeks a month, or so many months a year. This has been going on ever since the long strike.

Superintendent Whiting (p. 149):

Do you not sometimes manage to induce idle time and check work so as to check the output?—A. *If coal is not wanted we do not send it to market.*

Q. Are not men sometimes encouraged or induced to become idle so as to check the output of coal when there is too much in the market?—A. I do not know; I could not say that was done *in that form.*

Q. Are not men thrown out of work sometimes for the purpose of checking the production of coal?—A. I have no doubt that has been done in years past.

Q. Have you ever known it to be done in the Reading mines?—A. When the restriction of production made men idle?

Q. Yes, sir; when the restriction of production *by the company* made the men idle.—A. Certainly; when we have had a sufficient supply of coal the collieries were stopped.

Q. How do you ascertain what the supply is, and that there is an excess, and that it is advisable to stop the collieries?—A. At one time there was an arrangement, or I might say an understanding, by which certain percentages of production were to be shipped by the producing companies; when that percentage of production was made no more was shipped.

John McCutcheon (467):

Q. Will you explain what you mean by three-fourths time and not giving you full time?—A. It has been the custom of the coal and iron company within the last number of years, well, it starts some time in December, but always from January, for about the first three or four months of the year they put us on three-fourths time.

Q. How do they do that?—A. Instead of working ten hours a day they work seven and a half hours.

Q. The miners would prefer eight or ten hours a day?—A. They prefer to work full time.

Q. Why do they not?—A. They could not get leave; *the company would not let them.*

Q. And therefore they could not help themselves?—A. Yes, sir.

As to the Lehigh region, Hon. D. M. Evans says:

Q. For some weeks or months before this strike occurred were the miners at work full time?—A. No, sir; the miners seldom work full time any more.

Q. Since when?—A. There are only two or three months in the year when the miners get steady work since 1880, and since I have been in the Lehigh region there have not been many months in the year they have worked full time. I have known them to work nine days in the month.

W. H. Hines (p. 530):

Q. Do you know anything about any combination among the companies or operators to restrict the output of coal?—A. Their purpose is patent to everybody, and that is to regulate the price of and the cost of mining coal, and at the same time to regulate the prices which consumers are paying for coal when mined.

Q. How is that achieved; by regulating the output?—A. I might state first the way they regulate the wages of the miners. At the time of the last strike, in 1875, an operator named Sawyer told me that these companies got up all of this whereby to keep the miners under their control; that about that time they brought into these mining regions what is known in common parlance as pauper labor, Huns and Italians, and by these means, having more coal drawn than was required to supply the market, and having a greater body of men around each mine than was required to mine the quantity of coal needed, they therefore could regulate more easily the wages they paid their workmen, and at the same time regulate their time; that is, by starting at one colliery fifteen days a month and then stopping it, and then at another colliery fifteen days more. By this system they managed to keep the miner completely under subjection as regards the number of hours and days they labored, and the wages they received for their labor. They first take the miner by the throat with one hand, and then the consumer by the throat with the other; they first send to the market about the quantity of coal that can be consumed at the prices they have fixed.

FIFTH DIFFERENCE—PERSONAL LIBERTY RESTRAINED.

A fifth difference is this: Workmen generally, when leaving the shop, lay aside the relation of employé till again entering the shop. A mechanic's home is his castle, and he enjoys the full liberty of independent manhood except during the hours of labor. Precisely the reverse is true of many miners, perhaps a large majority.

As a tax-payer he is by law subjected to the operator, who in some counties is required to stop the tax of all employés from their wages and pay it to the tax collector, and is entitled to receive for so doing 2 per cent. of the 5 per cent. allowed the collector. The State levies an occupation tax, the miner being rated in some counties at $100, in others at $70, and a laborer at $75 and $40.

Thomas A. Buckley (p. 49):

Q. What is about the average personal tax of each miner?—A. Four dollars.

Q. Four dollars for every head?—A. Yes; every head over twenty-one years of age. As I stated awhile ago it was 63 mills. There is a mill for county, a half a mill for the sinking fund, 26 mills for school, and 6 for the poor; and if you happen to own a cow you pay the tax at the rate of $10 for that cow; that is, 63 cents for the cow.

Q. What about land?—A. There is no State tax on land, but a county tax of 7 mills at present. A special act of the legislature, 1866, compelled the taxes to be stopped in the offices of persons employing hands in the counties of Carbon and Luzerne, and when the Lackawanna was formed it carried there.

HOUSE RENTS AS MANACLES; EVICTIONS.

In many cases the miner rents his house from the operator, paying therefor, as several witnesses show, from 10 fo 20 per cent. on the cost of the building, and operators generally deduct the rent from his wages. The law of Pennsylvania requires a statutory notice in the case of tenants of thirty days from April to September and of ninety days in the other months. On page 526 is given a lease which the miner is required to sign before obtaining the key. Usually it is neither read to nor by him, and contains the following interesting provisions:

> "The said party of the second part further agrees that whenever he shall cease to work for, or shall be discharged from the service of said J. S. Wentz & Co., or notice to him to quit the premises shall have been served as aforesaid, he shall immediately surrender up to them the possession of said demanded premises with the appurtenances; and in case he shall fail to do so within ten days after he shall have ceased to work for J. S. Wentz & Co., or shall have been discharged, or notice to him to quit the premises shall have been served as aforesaid, it shall be lawful for said J. S. Wentz & Co., or any person or persons by them so directed, to enter upon and dispossess the said party of the second part and take possession of said premises, using such force as may be necessary for that purpose, and for so doing this lease and agreement shall be a sufficient warrant, authority, and justification."

By this evasion of the law the operator is enabled promptly to evict any objectionable miner, who, having been discharged from service and being without money or the prospect of employment, may find his wife and little ones deposited on the mountain side in midwinter. The possibility of such a disaster must have its effect upon the volition of the miner, and apart from the round profit in the shape of rents the operator thus holds the miner as renter in his power.

James G. Broderick (p. 521):

I think it was in May last that five families were evicted in a place known as Hazlebrook.

Q. What were the circumstances?—A. They considered that they were aggrieved, and that they were not getting justice, and they met their employer and wanted the matter rectified and he would not consent. Consequently they struck, and he gave them five days' notice and they were evicted, put in the street—men, women, and children.

"IN DEBT UNTIL THE DAY THEY DIED!"

In the Lehigh region the operator generally has a store.

Hugh McGarvey (p. 43):

Q. Are the men required to deal with these stores?—A. In some instances they are: in all they are required by means peculiar to employers; in some the compulsion is direct.

Q. Is there an understanding that if a man refuses to deal with the company's store he can not remain in the employ of the company?—A. Not exactly in that way; but a man who deals in the company's store has a better opportunity for steadier work, and expects to get the best work in the mine—the jobs that pay best.

Other witnesses testify to the same effect. Hon. D. M. Evans (p. 492):

Q. Then they were not discharged by the company for dealing elsewhere?—A. They are getting too numerous to be discharged; that is not the only way of preventing a man from doing what he pleases.

Q. Tell us about that.—A. The miner who tries to be somewhat independent, does what he thinks is right, they can discriminate against him in this way: He may be given a breast that is somewhat harder than the other breasts, an unusually hard breast, and by getting in there he could hardly make a living, and certainly was not able to get cash and pay a bill of the other store. That was one way of forcing him into the company's store; because he would become indebted to the company and he would have to appeal to them for food.

Q. Will you tell how the prices of food and clothing in the company's stores compare with the prices of other dealers?—A. I have made inquiry concerning the matter, and have been informed by parties who seem to know the case thoroughly, and they claim that the company's stores are from 10 to 20 per cent. advance over the goods sold by individual store-keepers. My own experience, I believe, would justify me in saying they are 10 per cent. higher than individual store-keepers.

James G. Broderick (522):

Where I live there are cases where the company's stores have charged from 10 to 20 per cent. more for their goods than the individual stores did. Some of the officials of the company, such as foremen, would state to their workmen, "If you patronize me we will patronize you." Well, that meant if there was a good job they would receive it if they traded in the company's store.

Q. Did you understand if a man was trading at a store which was not a company's store, and spending a considerable portion of his wages there, that it was so managed through the bosses that he was put upon a hard job?—A. It occurs. There is a fact that if you are working for the company and it so happens that you run behind your account to the store you will get more time.

Q. That is, you will be allowed to work more hours?—A. Yes, sir; that is the overtime you will get.

Thomas Campbell, merchant, Hazleton (542):

In 1877 I procured the pass-book from a company store in the neighborhood here, and compared the prices with ours.

Q. What did you find?—A. One hundred and sixty per cent. over our prices.

Q. Have you since made other investigations?—A. Yes, sir; two years ago. I found 75 per cent. profit on the goods in the company store.

Q. Have you examined other pass-books of other stores, and what were the rates charged by the company stores?—A. I suppose 20 to 25 per cent., and in some cases [illegible] per cent. profit. Profits are not so high as they have been. There is more competition in the business. I might state here that I have always looked upon the system of paying miners their wages as the greatest source of evil and oppression to the miners.

Q. Why?—A. They are paid in truck, in groceries at [illegible] and 70 per cent. profit to the company, more or less.

Hon. Eckley B. Coxe, operator (p. 597):

Q. The general policy is to run accounts and to collect them.—A. I think most companies do that; we do not.

Q. Do not people run in debt that way?—A. I have known men to be in debt from the day they went into employment until the day they died.

Hon. D. M. Evans (p. 479):

I have been in debt at the company's store from April to October, and worked whenever I could and as hard as I could. There is many a miner who goes to bed at night who can not get the food required to bear the terrible strain; it is such very hard work. I was so poor that I had to take the empty powder kegs in order that my wife could get yeast to bake bread with. When she went to the store and asked for a calico dress, it was refused her. I was in such a condition that I could not get a cheap calico dress, on account of the poor wages I received from the operator, and I did my duty in every way to earn it. There was a man that worked very hard continually for a little over five years, and he never drew a dollar till one day he drew $5, and told me of it almost crying with joy that he had received $5. He had come all the way from Germany to work in America.

James G. Broderick (p. 521):

In 1875 outside laborers received from $9 to $11 a week; to-day they are working for 61 cents a day up to $1.15, and in a few cases $1.30, and we consider that a great wrong. In many cases the children were barefooted and without clothes, and the workmen did what they could to support them.

Q. Worked hard and and earned good wages, and were good, strong men?—A. Yes, sir; they were good, strong men. I know, in fact, that in five years the butcher did not stand at their door to give them a pound of fresh meat.

Q. What has been the system with such people as to obtaining meat?—A. In some cases there is what is called the "company butcher," as at Hazlebrook.

THE COMPANY BUTCHER AND DOCTOR.

W. H. Hines (539):

J. S. Wentz & Co. have a colliery out here on the mountain, right on the very top of the mountain, and the only road into that colliery (until I put a public road there very recently by the court) was a private road, and at the entrance of that road was a big sign up, "No trespassing permitted on this road." Right in there is a company store. My investigation as attorney for these men proved that all the rough material and food that this same company could not get rid of up the valley was shipped into this place. I investigated the checks of these men, as attorney for a good many. For three or four years at a time some of them never drew one cent in wages, and what was most astonishing of all was that which came out in the court in a case tried. The evidence went to show, in regard to this company, that when an amount (of wages) was $35, the company's store bill was simply $37; when it was $60, the company took $69, and so on. It was almost always for a greater amount due the company. There is no question in this case, for I examined the checks of a great many miners there. That is a general rule.

Q. And you mean to say that any other person selling meats, or any supplies that the miners would want, was not permitted to go in there to dispose of them?—A. No, sir; they were not permitted to enter upon the grounds.

Q. How far were these mines from any other store?—A. Ten miles.

Q. Do you know whether persons retailing supplies have been refused admittance? A.—Yes, and one of them arrested for trespassing and tried recently before a justice of the peace for going up the road.

Q. Is not that a very exceptional case?—A. Yes, sir; I do not know of any other. It is exceptional in the respect of its being a private road in there, but it is common as to the methods of these companies and the treatment of the workmen. In nearly every instance where there is a company store the men are charged higher figures, and indirectly compelled to trade there or quit work. They have indirect means of compelling these miners.

As a rule the price of the coal used by the miner at his house is retained from his wages, and at some collieries he is required to take 12 tons a year whether or not he wants so much.

Hon. D. M. Evans (481) says:

Whether you use a ton of coal or not it is retained from you monthly, and you must pay, I think, $1.80 for chestnut and $2.10 for stove.

Q. Is it general around here?—A. I would not speak of any other place than where I am positively sure of it; I worked there.

Hon. Eckley B. Coxe (603) has changed this practice at his mines:

We sell our men a ton of coal just as we would sell it to you or anybody else. If they want it they buy it and pay for it. I disapprove of the old system. One man burns 10 tons a year, and another does not burn one-half that much and he pays the same as the first. It also encourages waste.

Hon. D. M. Evans (481):

Q. Do they retain anything for a doctor?—A. Yes, sir; 50 cents a month for a single man, and 75 cents for a married man.

Q. Do other mines do that?—A. Yes, sir; I understand that.

Q. Who selects the doctor—the miners or the company?—A. I believe it is the company.

Q. You have no choice as to the doctor to attend yourself and family?—A. No, sir; not in the Upper Lehigh.

Q. Suppose your wife liked one doctor and the company another, how then?—A. Well, I have known a doctor to come to your house and notify you that he was the doctor of that town and nobody else.

Q. Do laborers pay the doctor, too?—A. Yes, sir; everybody employed in and about that mine pays the doctor, and the same sum. If there are six boys in the family and these six working, the father of that family would pay 75 cents and the single boys 50 cents each.

The printed checks on which the accounts of certain miners were stated will be found on pages 488 to 491. They contain as items of credit—by cars, yards, labor, hours; debit—to balance, powder, oil, smith, labor, rent, coal, team, mine supplies, store, board, doctor, priest, butcher, shoe-maker, taxes.

In 1885 a strike was precipitated by the demand of G. B. Markle & Co., Jeddo, Pa., that the men should sign an agreement having this provision:

> And whereas it may occur that I am now or shall hereafter become indebted to the same or other parties on similar accounts while I remain in the employ of said G. B. Markle & Co., I do hereby authorize and direct the said company to pay such accounts and bills for me, and to deduct the amount so paid from all wages, salary, or sums of money now due or hereafter to become due to me, and to that end I do hereby release, assign, etc.

To deprive a man of the right to pay his private bills out of the money he earns, and to force him into appointing the company as a guardian for the payment of future as well as present indebtedness, is a degree of tyranny only equaled by the insolence of its proposer. And yet American workmen had actually to strike for six weeks in order to resist such an imposition!

To say that each of these outrages is committed by all operators would be untrue; but to say that the miner is so completely in the grip of the employer that every operator might do each and all of these things is undoubtedly true. By the percentage of wages, by false measurements, by rents, stores, and other methods, the workman is virtually a chattel of the operator. A more ingenious, effective, and devilish system for legally enslaving men can not be devised. Its effect upon men, women, and children entitled to the protection of a humane government, but now powerless, is as inexorable as it is lamentable.

STRUGGLE OF MINERS AGAINST THE COMBINATION

This infamous system grew little by little during the absorption of individual operators by the railway companies. As competition between employers for labor diminished, the safeguards of laborers disappeared and wages were reduced. From the beginning of this absorption these thousands of workmen have manfully struggled for fair pay and humane treatment. A combination of employers would as certainly beget a combination of employes for self-protection as that a setting sun insures darkness. It would indeed be a sad commentary upon American manhood if 100,000 men passively and willingly yielded their bodies and earnings to 100 men.

The struggle has been long, resolute, and unequal. On the one side wealth, intelligence, and a masterful organization, with its soldiery under the guise of "company police," carrying Winchester rifles. On the other side poverty, ignorance, and a scattered mass of men, powerless to do any more than patiently exercise the innate right of every man to refrain from performing labor that he has not agreed to perform. The former can live and wait till the latter are "starved" into submission. Superintendent Whiting put it in a nutshell (174):

> Q. You say these striking men will come back and go to work?—A. Yes, sir.
>
> Q. On your own terms?—A. At the old rates; yes, sir.
>
> Q. What force do you rely on to bring the men back?—A. Well, sir, *their necessities.*
>
> Q. *Starved out, do you mean?*—A. I did not say we would keep them out until they did starve. I do not propose to put it in that shape.
>
> Q. After their necessity had become sufficiently pressing?—A. It is a necessity for everybody who works that they get work.

Also Mr. Calvin Pardee, operator (574):

> Q. Do you expect them to return to work?—A. We expect them some day to return to work. Perhaps our patience will wear out one of these days in this matter.
>
> Q. When do you expect this strike to stop?—A. I suppose *when the men get enough of it.*"

However great the strain upon Mr. Pardee's patience, he yet had sufficient food. In the case of the miners the strain was on the stomach as well as on patience, and the contest between the parties very unequal.

COMBINATION OF MINERS FORCED BY REDUCTIONS OF WAGES.

While we speak of the anthracite region as a whole it is to be remembered that each colliery is complete in itself. Each has its own force and the nature of the work isolates individuals, so that men may long work in the same colliery without knowing each other; and, unless collieries are side by side, their respective workmen are not brought together in towns. During the period of competition between individual operators the troubles in each colliery were settled by the employer. As the consolidation occurred the men in the collieries thereby affected naturally made common cause, being forced together by the fact that the same employer was dealing with all of them and by a community of interests. Thus, as early as 1861, the Reading report states, "negotiations with miners, carriers, and principal dealers to establish the prices of coal and the charge for transporting it to tide-water were successful."

Subsequent pools of the carrying companies forced a reduction of wages by operators in different years, and especially in 1867, when the miners attempted to form a general organization, and in 1869 succeeded in organizing their men throughout the whole anthracite région. The operators were also combined in anthracite boards of trade or exchanges.

In the Lehigh region the operators and the representatives of the miners' union agreed upon a basis system, and the wages to be paid for the different kinds of work when coal was $5 at tide-water, with an advance of 15 per cent. as coal advanced, but with no reduction below the basis. In 1871 wages were reduced 10 per cent., and in 1872 a demand for the old basis was made by the miners. In 1873 Mr. Ario Pardee, the largest operator, agreed to an arbitration, Judge Dargan, umpire. In 1875 the operators proposed a reduction of 15 per cent. throughout the region, which, after a six months' lockout, the men were forced to accept. In 1877 another reduction of 12½ per cent. was made, and the men continued work until 1879 when agitation caused the operators to make a slight increase. The association of the miners then died out, and reductions were made gradually and often imperceptibly.

The history of the Schuylkill region is about the same. Mr. Brumm (p. 9):

> The miners have had organizations almost ever since the war. They had a very formidable one known as the Workmen's Benevolent Association, or "W. B. A." When that was in existence there were a great many individual operators. It was before this absorption had gone on. This absorption was forced by the railway corporations. They crushed out a great many individuals by lowering the price of coal and raising the price of freight. That is a matter as plain as twice one is two. The Workmen's Benevolent Association had succeeded in getting this basis plan established; that wages should be regulated and a certain price shall be paid when coal was $2.50 a ton at Schuylkill Haven. Should coal rise, the wages were to rise 1 cent to every 3 cents in coal, but never to be lower than $2.50. They worked along under that system for some time, until the long strike, in which the men were beaten.
>
> From that time (1875) the men complained that while this $2.50 basis was ostensibly in existence, yet it had been violated time after time by these coal companies. For instance, when there was an advance in price to the consumer they would raise their toll (freight rates), putting that advanced price on toll and keeping the price at Schuylkill Haven down, and although bringing a higher price in the market, the miners were not getting the benefit of the advance, and that simply because the amount of increase was added to freights.
>
> Q. The common carrier pocketed it?—A. These corporations utilized it; that is the complaint of the men, and there have been various ways in which it has been done. For instance, they complain that when the basis was agreed upon certain sizes of coal were to be taken into the calculation. Larger sizes are generally higher than very small sizes. After they had crushed their organization they included the smaller sizes, and in that way lowered the average price of coal, and always kept it at the basis or even below the basis. When at certain periods coal did fall below the basis they took off a certain part of the wages. If it was 3 cents less than $2.50, they would take off 1 per cent., and they have reduced it quite a large per cent.
>
> The men complain that they have been practically cheated out of their dues, because they had no organization and could not demand their rights. The fact that there is a basis yet, and that these companies utilized the idea of a basis, is obvious from this: That every month or three months they would publish in the Miners' Journal and other papers the price that was received for coal shipped from certain collieries, which they would draw by lot, as they had done heretofore, that the price that these collieries got for coal was to be the price from which the calculations were made. When the Workmen's Benevolent Association was in existence the men were parties to the drawing of the lots. When it was broken up there was nobody on the part of the men. The men claim that they put a smaller price upon the coal and lowered the average. When the miners began to organize again they demanded the positive establishment of this basis again and an advance of 15 per cent. on the $2.50 basis.

In 1884 the associations in the different regions were revived, and a general organization was effected by them and by the Knights of Labor. November, 1885, the joint committee of the several associations sent a circular to all the operators in the Lehigh and Schuylkill regions requesting a consultation as to wages, to which no attention was paid. January, 1886, they sent another circular proposing a modified schedule of wages. August, 1886, the Lehigh miners asked an advance of 10 per cent., regardless of the basis system, without response. In August, 1887, the joint committee of the Lehigh and Schuylkill associations proposed a schedule of wages, and asked the operators either to meet them or to submit the matter to arbitration. In the Schuylkill region the committee were met by the Reading Coal Company, and a compromise effected. In the Lehigh region no attention was paid to the request, and by a vote of the miners themselves in their local assemblies a strike was ordered September 10, which at the time of this investigation had lasted more than five months. The lines were drawn, and the contest between organized labor and the railway companies began.

THE RIGHT OF AMERICAN CITIZENS TO COMBINE FOR LAWFUL PURPOSES.

Great indignation is expressed by the operators and railroad authorities that the men should have combined, and the vials of their wrath are especially emptied upon the official representatives of the workmen's association. It has come to a pretty pass if an American citizen may not join a church, political party, trades union, Knights of Labor, or any other association that has a legal purpose, simply because his employer objects. What jurisdiction does the employer possess over the matter? The relation between the miner and the operator is voluntarily entered into by two free men, one of whom agrees to do certain work, for which the other agrees to pay certain money. The employer is master as to the manner in which the work shall be performed, and the employé is the master as to the payment therefor when it has been performed. The relation exists only as to the stipulated service, and terminates when that daily service is rendered. The man does not sell his tastes, his love for his family, or his opinion on religious, civil, or other subjects. These are not included in the contract to work, nor is bodily service included except as to the performance of that work. At all other times the man is as free as if he had not agreed to labor. And it is sheer insolence on the part of these railroad officials and operators to deny this natural right of all men to combine for lawful objects, which demands vigorous denunciation and effective legislation.

The organization of the men in the two regions consisted of local lodges or assemblies, which were the source of power, and which were represented in district or higher bodies, and finally in a joint committee. All important questions were decided in the local assemblies by a majority vote of all the members, the higher bodies simply executing their decision. So far from the committee-men being mere "labor agitators" and "without a following," they were officials of the men in exactly the sense that Superintendent Whiting was an official of the Reading Company.

WHY CORPORATIONS FIGHT THE ORGANIZING OF LABOR.

In this union of all the miners, acting intelligently and together, the operators saw danger. It must be destroyed at all hazards. So long as the men were scattered among the collieries they could be handled in detail. Accordingly, the effort of the operators was directed against the organizations, and especially against their official representatives, whom they bitterly denounced. They alleged their readiness to deal with their own employés individually, but not with any association, and that work would never be given until these associations were stopped. Yet, just in those organizations lay the only possible hope of the men, and nobody knew it better than the operators. Instead of being interlopers between an operator and his men, these committees were the men themselves in all the collieries, asking the operators to alleviate their condition and to pay fair wages.

Mr. Ario Pardee, the largest operator in his locality, emphasized the the attack on organizations as such (554).

Q. Will you state the cause of the strike in the Lehigh region?—A. I suppose the cause of it was that the operators would have nothing to do with the Knights of Labor, and the leaders of the Amalgamated Union. I suppose that was the cause of it.

Q. You mean to say the men struck because the operators would not have anything to do with their orders?—A. We would not negotiate with them at all. We have always been willing to deal with our own employés or a committee of our own employés, but we will not deal with the officers of these associations.

Q. Now I want to know if these men in fact did have cause to complain, would you object to confer with them?—A. No, not with our employés.

Q. Would you object to conferring with them, even if they came as representing some organized body?—A. I would not deal with them at all.

Q. Suppose the employés of these mines should organize, would you refuse to confer with them in that capacity?—A. I am not dealing with *any* organization or the leaders of any organization.

Q. Suppose an association composed exclusively of your miners should send representatives to you in behalf of the men, would you treat with them?—A. If they would come as our employés I would treat with them, but as representing an association I would not.

Q. Why?—A. Simply because I would not. I have been on a chronic fight with these organizations. I commenced it in 1847.

Q. Then before you will treat with them they must come in their individual capacity?—A. In their individual capacity or as a committee of our own men, and not as a committee of any association.

Page [illegible]. Q. If the men now on strike should go to work upon an agreement to take the wages paid in other districts, would the operators in this district enter into such an agreement with them?—A. Not under the management of the Knights of Labor or the Amalgamated Union.

Q. Then you will not take your own terms at the hands of the Knights of Labor?—A. No, *we will not give them a foothold.*

Q. Suppose that a committee of miners, in their private capacity as representatives of their brother miners, were to propose to you to go to work upon the same basis that was paid in the Schuylkill and Wyoming regions, would you permit them to do it?—A. No, sir.

Naturally there was a combination of the operators. The same request was addressed to all by the employés. They had the same interest at stake in so controlling labor as to obtain the most work for the least pay. The testimony of Mr. Ario Pardee leaves no doubt as to this fact (p. 555):

Q. Have you any objection to business men, operators in coal mines, railroads, and men engaged in great interests of that sort, combining for their mutual protection?—A. I am not a member of any organization of that kind.* I do not know that I have any [illegible] with them.

Q. Is there any sort of understanding between the operators of this country, any concert of action between them?—A. There has been a concert of action in this matter of the strike.

Q. Then there is a combination of some sort between the operators?—A. You may call it an understanding or whatever you please; *we are all of the same mind.*

THE BATTLE OF "STARVATION" IN THE LEHIGH REGION.

In the Lehigh region all of the collieries except three were stopped about September 10, 1887, and some 10,000 hands quit work and remained idle for more than six months. Contributions for their support were made by their fellow workmen in the Schuylkill region, by the railroad men, and by the organized labor of the nation, chiefly through the Knights of Labor. Systematic relief was given to those who needed it. They were deemed by their comrades throughout the land as fighting the battle of all. It was simply their lot to stand and wait, the hardest of all fighting: to wait through weeks and weary months without wages, and with but little ground for hope, under the pressure of "[illegible] necessities," to wait with grim patience "till they got enough [illegible] Throughout the Lehigh region there were no riots and none of the violence which would ordinarily be practiced by some individuals in a mass of 10,000 miners with dependent families, or a body of [illegible] people. These men were not a mob. They obeyed law. They simply declined to work for shriveled wages. That was their right, the only one they could exercise; and by its exercise they violated no other man's right.

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* He was present at the [illegible] meeting in [illegible]. See page [illegible]

Operator Pardee's patience was strained. Suppose the patience of these ten regiments of men more tensely strained had broken, then what? That it did not, speaks well for their manhood. Men who respect law under such circumstances deserve the protection of law. Their methods are not those of the anarchist. And amid the epithets hurled by the operators, the American people should note this fact; and that other characteristic, namely, that from the pinched pockets but generous hearts of the laborers of America came a steady stream of money that kept food and life in these 50,000 men, women, and children while they fought the battle of starvation with rich operators and richer railways. A nation composed of poor people who can wait without rioting, and of other poor people whose nimble dimes become thousands of dollars, has a better outlook than one secretly governed by unscrupulous and corrupting corporations.

In the mean time, according to the testimony, about 150 car-loads of coal a day went to market instead of the 3,500 or 4,000 cars that would otherwise have gone from the Lehigh region. While the pool raised the price to the buyer on the pretext of the strike, yet in fact the usual supply was furnished. Instead of working but three fourths of the time, the Schuylkill and Wyoming collieries ran full time, and furnished all the coal the market would take.

COMPROMISE IN THE SCHUYLKILL REGION.

It is necessary to note some details of the Schuylkill negotiations. August 17, 1887, the joint committee sent the same circular (p. 136) to all the Schulkill operators, of whom the Reading Company was the chief. It proposed a schedule of wages for all persons employed in mining equivalent to an advance of about 15 per cent. It provided that the wages and contract prices in the Schuylkill region should be regulated by the average price of coal at Schuylkill Haven; that this price should not go below $2.50 as minimum, and that wages should advance 33⅓ per cent., as now, when coal advanced above $2.50.

A provision of even greater ultimate benefit to the men was (item 16) that the miners should be represented upon the committee which determined the price of coal; that this committee should consider the sales made to small as well as large purchasers, and that the five highest actual selling prices should be the standard. Being forced into a partnership with the operator by an agreement to receive wages varying with the sales of coal, it was only reasonable that their representatives should know for a certainty what the selling price was, and that it was honestly determined. But for the operators to concede this would be, to surrender the ability which they have enjoyed since 1875 to scale down all wages, and to withhold large sums of money, by alleging a lower price than the true one.

In the event that the operators declined to accept the proposition of the miners, they then asked "that you meet us on or before September 1 for the purpose of settling the question by arbitration. If arbitration is agreed to on or before that date, work will continue pending the same." The desire of the men to settle their grievances by consultation with the operators, or, failing in that, by the judgment of disinterested persons, is an important feature. It shows their confidence in the justness of their cause, and is universally regarded by their witnesses as a point of even greater importance than the advance of wages.

It appears also from their testimony that they use the word "arbitrate" in its broad and general sense rather than in its legal and technical sense, meaning the submission of a matter to outside persons who should advise as to a proper settlement, rather than a trial of a matter before legal arbitrators, as if appointed by a court, whose decision is a final judgment. For example, Daniel Duffy (p. 407):

> Q. Was the proposition to submit the question as to the advance of wages to arbitration made at the outset of this difficulty?—A. Yes, sir; and continually. Our proposition requested arbitration in case of a refusal.
>
> Q. So I understand that the Reading Railroad Company refused to arbitrate?—A. Up to the 14th of September; yes, sir.
>
> Q. And since?—A. They arbitrated it then.
>
> Q. How did they arbitrate that?—A. By acknowledging the receipt of the settlement sent them.
>
> Q. What do you understand by the term "arbitration"?—A. The company's officials arbitrated that themselves by agreeing to the proposed advance by the miners in the region.
>
> Q. Your proposition now is to have the representatives of the miners and the railway officials to meet and discuss the matter, and come to a conclusion if they can: and if they can not, then what?—A. To call outside disinterested men, and submit the facts in the case to them, and let them decide. The officials of the company refused.

Hon. D. M. Evans (p. 510):

> Another matter of grievance is that the operator refuses to meet the miner in conference, and refuses to recognize communications from the organization. We want the operator to meet us in convention, and instead of striking, instead of injuring the public and ourselves, to stand like men in a body and there fairly reason it out with good common sense. That is what the miners ask, along with this advance in wages.

Superintendent Whiting (p. 136) concurs with the men as to the scope and intent of the circular, and says:

> I believe it to have been a strike for an advance of wages, and *for various changes in the system of payments*.
>
> Q. Covering both grounds, then? -A. Yes, sir; as I understand it.

NEGOTIATIONS BETWEEN THE READING COMPANY AND THE LABOR ORGANIZATIONS.

During 1887 the Reading Railway and Coal Companies were in the hands of the same receivers, and Mr. Corbin was president of both. September 1 Superintendent Whiting addressed the following letter to the joint committee, dated September 2 (p. 53):

> GENTLEMEN: Your circular, dated August 17, which was handed to me a few days since, has been presented by me to the president of this company, and I have been instructed by him to meet your committee for the purpose of discussing the matters referred to, with a view to an amicable agreement. If you will name a day when you are convenient to meet me at Pottsville I will endeavor to meet you at the time you name. (S. B. Whiting, general manager, to John H. Davis and others, joint committee of the Knights of Labor, the M. and L. A. A., and the E. E. A.)

This recognition of the miners' organization by the Reading Company was regarded by the men as a long step forward, and as preparing the way for the future alleviation of many hardships in their condition. Scattered through the testimony are glints of this hope, which, by their silence and sadness, indicate the helplessness of the men more vividly than words can.

After several conferences between Superintendent Whiting and the committee a compromise was reached (p. 54). The men receded from their demand of 15 per cent. advance in wages, and agreed to one of 8 per cent. on the $2.50 basis as a minimum, subject to the sliding scale of 3½ advance, with the advance of coal above $2.50. They desired the agreement to extend eight months, but accepted four months, because of the fact that the Reading would go out of the hands of the receivers January 1, 1888, and because of Mr. Whiting's statement that therefore he had no authority to act for the then management of the company beyond the date when the new management would take charge.

Technically this was the fact, really it was not; because the management was the same under and after the receivership. John Doe as receiver in 1887, and John Doe as president in 1888, was still the same Doe, executing the same plans in either official capacity.

The men further agreed that in the event the Lehigh operators should conquer their miners and obtain labor at a lower rate than the circular proposed, then the Reading might reduce wages to the same level. The life-time of the agreement was to be four months from September 14, but at Mr. Whiting's request it was antedated to September 1.

This compromise was fully agreed to by both parties. Davis (p. 53):

> On September 14 this committee and Mr. Whiting came to an understanding. The committee drew up this agreement and presented it to Mr. Whiting. He accepted it, but would not sign his name until he had sent it to Philadelphia to be approved by the receivers. Mr. Whiting then said (p. 54) that it would be useless for all the committee (six) to come down to get this agreement; that we had better select one or two. They selected me (chairman) to go to Mr. Whiting after he had received this agreement again (from Philadelphia).

A DIFFERENT PROPOSITION SUBMITTED BY READING.

Three days later Davis called on him for the purpose of formally executing the agreement, when Mr. Whiting, advised by his attorney and under instructions from Mr. Corbin, submitted a different paper as a memorandum of an agreement. It differed from the agreement proposed by the committee in omitting the specification that wages should advance on the sliding scale, 33½ per cent., with the advance of coal above $2.50. Davis (55):

> Because Mr. Whiting feared that the Lehigh operators would take advantage of it, and it would be detrimental to the interests of the company, so he omitted that, and also requested the committee that they should never let this memorandum see daylight. No man has ever seen this agreement, because it was the understanding between Mr. Whiting and us that we should keep it a secret; only that the men were to have the benefit of the 8 per cent. advance, and whatever the percentage would be above $2.50 at Schuylkill Haven. We agreed to keep this a secret in order that the company would be protected from any other outside influences there.

That this was the understanding as to the sliding scale advance, though omitted from the memorandum, is shown by the fact that the company observed it, and paid above the $2.50 basis in the four months percentages of 4, 12, 7, and 8, respectively. The life-time of the agreement was to be "from September 1, 1887, for four months, or until January 1, 1888, and this agreement is to terminate January 1, 1888."

An important change, as shown by subsequent events, was made in the last clause. The compromise as agreed to by Mr. Whiting and the committee read:

> And it is also further agreed that the agreement set forth shall not be binding on the company, providing a different agreement for the payment of day's wages and contract prices by the leading interests (Lehigh) and their employés competing in the same market be entered into.

This was changed by Mr. Whiting to read as follows:

> If a settlement is made with the other companies before January 1, 1888, the company is to adopt whatever advance in basis rates is agreed upon by all the other companies (Lehigh), and in case no agreement is reached by January 1, or the men return to work at the former rates, then and in that case the company are to return to the payment of the $2.50 basis schedule of prices as paid up to September 1, 1887.

The twist of the wrist is the insertion of the words, "or in case no agreement is reached by January 1," in the Lehigh.

Upon this clause the company afterwards based the assertion that it bound the Schuylkill men to return to the $2.50 basis after that date; and the men claim that the agreement lasted only till January 1, and that there was no understanding of any sort beyond. The question is to be settled by the terms of the instrument and by the understanding of the parties.

TERMS OF THE AGREEMENT.

As signed by Mr. Whiting, it read (p. 54):

> Memorandum of an agreement made at Pottsville, September 14, 1887, between S. B. Whiting, general manager of the Philadelphia and Reading Coal and Iron Company, and John H. Davis, chairman, and others, a joint committee representing the miners, laborers, and other employés of the Philadelphia and Reading Coal and Iron Company now working under the $2.50 basis:
>
> The Philadelphia and Reading Coal and Iron Company are to raise the present schedule of basis prices for wages and contracts 8 per cent. from September 1, 1887, for four months, or until January 1, 1888, and this agreement is to terminate January 1, 1888. If a settlement is made with the other companies before that time, the Philadelphia and Reading Coal and Iron Company is to adopt whatever advance in basis rates is agreed upon by all the other companies, or in case no agreement is reached by January 1, or the men return to work at the former rates, then, and in that case, the Philadelphia and Reading Coal and Iron Company are to return to the payment of the $2.50 basis schedule of prices as paid up to September 1, 1887.

The precise situation was that hostilities had begun between the men and the company, and these negotiations were in the nature of a flag of truce. The committee had demanded, in the circular of August 17, that the company should concede certain things by September 1, which it declined to do. This memorandum is a mere statement made and signed by the company's executive officer, and witnessed by the committee, of what the company would concede and agree to do, and for what period. Referring to the proposition of September 14, presented by the committee, Mr. Whiting testified (p. 140):

> Davis presented their agreement of what they wanted us to accede to. We did on that day (September 14) or the previous day.
>
> Q. And in response to that the company presented the agreement of September 17?—A. Yes, sir. (Identifies his signature.)
>
> Q. And this agreement was made in response to the proposition to which you allude (September 14)?—A. That was drawn up in accordance with it, and was embodying *what the Coal and Iron Company agreed to do or conceded.*
>
> Q. By whom was it composed?—A. By myself, principally.

THE AGREEMENT BOUND THE COMPANY ONLY, AND NOT THE MINERS.

An agreement between two parties may bind only one party. Thus, A may agree with B that A will do a stated thing, in which event only A is bound—as in this case. Or A may agree to build a house for B, and B may agree to pay $10,000 to A therefor; which is not only an agreement, but a contract binding both A and B. This memorandum relates to the company alone, and sets forth "what the Coal and Iron Company agreed to do or conceded." It is a bare agreement of one party to do stated things, and broadly distinct from a contract wherein two parties mutually engage to do different things.

The essence of the paper is that the Reading Company (not the miners), for four months, from September 1 to January 1, will advance wages 8 per cent.; and that this agreement shall terminate January 1, 1888. Just this, and nothing more, is the main and sole proposition, and also the life-time of the truce. What follows is a conditional limitation of the life-time, viz: That "if" the Lehigh strike is settled in the meantime, the Reading Company will pay wages in accordance with the terms of that settlement; should the Lehigh operators advance wages, the Reading is to adopt the same advance; or, should the Lehigh miners return to work on the old basis, then the Reading is to return to the old basis of $2.50. The whole of the last sentence is explanatory of the main proposition; it swings on the word "if," and refers to the Lehigh strike, the Lehigh operators, and the Lehigh miners. Mr. Corbin conclusively shows this to be his understanding by inserting the word "Lehigh" in the copy given by him to the public: "If a settlement is made with the other coal companies (Lehigh) before that time, January 1, 1888, etc."

Analyzed, the paper would appear thus:

Memorandum of an agreement between the Reading Company and its employés now working on the $2.50 basis as to what *the company agrees to do or concedes :*

(1) It will (*a*) raise wages (*b*) 8 per cent. above the $2.50 basis (*c*) for four months from September 1 to January 1.

(2) And this agreement is *certainly* to terminate January 1, 1888; provided, however, that it may terminate earlier, to wit, in the event that the Lehigh strike is settled before this agreement expires. In which case : (*a*) If the Lehigh operators yield, the Reading is to pay the same wages, whether more or less, than the aforesaid 8 per cent.; (*b*) if the Lehigh miners yield and return to the old basis, the Schuylkill miners are to be paid the same wages, old basis.

(3) If the strike is not settled before this truce expires, the Reading is to be where it was before this cartel was made, namely, on the $2.50 basis.

In no part of the memorandum is there a syllable of reference to the Schuylkill miners, or the shadow of an agreement by them to do anything whatever. They are not even remotely hinted at in the body of the document. It relates solely to the company, and witnesses that this company, but nobody else, will do specified acts for four months. "In case no agreement (Lehigh) is reached by January 1," then what? "then, and in that case," who—the miners? "the Philadelphia and Reading Coal and Iron Company are to return" to the position held before the agreement was made, the $2.50 basis. In order to bind the men, of whom no previous mention is made, it should have read :

In that case both the company and its employés are to return to the $2.50 basis.

But so far from binding the miners, this clause is only a cautious reassertion of the statement that the agreement expires January 1, that the advanced wages will terminate with the agreement, and that on January 1 the company will stand just where it stood September 1.

Upon this point the evidence of Mr. Whiting is conclusive (p. 141):

Q. Did you understand that the phraseology used in the last portion of that agreement was used so that the new company, as it would be organized, could make their own bargain with their employés?—A. The object, I thought, was that on January 1 they (the company) *could be placed just were they were before September* 1.

Q. And contemplating a new negotiation between the officers of the company that would be in the nature of a reorganization of their organization?—A. Yes, sir; and I even went so far as to suggest what they wanted to do, and certain changes to be made as to some of the methods under which the basis was operated.

The same would be true of both parties. When this cartel expires the truce ends, and hostilities may be resumed. That is all there is in it. No court would or could draw from the memorandum any agreement by the men to do anything after its expiration. It is simply a statement that during four months the company concedes certain things, and that after four months it does not concede these things; while neither, after nor during this period are the men bound to do anything whatever.

UNDERSTANDING OF THE NEGOTIATORS.

That this was the understanding of the negotiators, is evident from the testimony. John H. Davis (55):

> The only proviso made between the committee and Mr. Whiting was this: He feared that if we would compel the Reading Company to advance 8 per cent., and if the Lehigh operators succeeded, it would be a disadvantage to the Reading Company. We told the Reading Company that whenever an agreement should be entered into between the committee and it, if the Lehigh operators were successful, were victorious in crushing the men down, and getting them to go in at their former prices, that then we would relinquish all demands on them, and bring them on the same figures as before the agreement was made, so that we could give them a chance to compete in the same market with the other operators.
>
> (63) That agreement, as I said before, was this: Mr. Whiting stated that the company was going out of the hands of the receivers by January 1; that he, as the representative of the receivers at the time, could not sign any agreement binding any body beyond January 1.

And he makes the point that if Mr. Whiting had no authority to bind the company beyond January 1, the committee could not bind the miners beyond that date, because it takes two parties to make an agreement.

> I never understood the agreement to be (for us) to return to the $2.50 basis, any more than leaving the company in the same position to compete with other companies in the market if the Lehigh men should not succeed.

Mr. Whiting (142):

> That agreement to pay any advance was to terminate January 1, because we had no authority to continue any further than that.
>
> Q. Why had you no authority to continue to act?—A. Because we were officers of the receivers, and their receivership was to terminate on January 1.
>
> Q. Did the men understand that to be the situation legally?—A. Certainly, sir.
>
> Q. Therefore that was the reason why the agreement could not be continued?—A. Yes, sir.
>
> (143) Q. Did the committee indicate that they expected to go back to the September basis, or did they expect that the basis of September 17 should be continued after January 1?—A. They agreed they would go back to any rate that was agreed upon by the other companies, that is, the Lehigh companies, where the men were on a strike, but also if those men returned to work at any time after the 1st of Jannuary, or any other time, that they should return to the old basis.

At the date when the Schuylkill lockout began the Lehigh men had not returned to work, and did not return for months.

MINERS DESIRE THE AGREEMENT EXTENDED BEYOND JANUARY 1, 1888.

The memorandum drafted by Mr. Whiting, with the assistance of his attorney and superintendent, was approved by Mr. Corbin (p. 141):

> Q. What difference was there between the one submitted to Mr. Corbin and this?
>
> Mr. WHITING. Only, perhaps, in some slight change of words; nothing essential. This is essentially the same, almost word for word, with that which was submitted.

No part of an agreement can be more "essential" than the period of time it covers. The clause "and this agreement is to terminate January 1, 1888," was an essential element of the instrument.

With respect to the weight which should be given to the understanding of these witnesses as to the intent of the paper, it should again be noted that it was a memorandum of only some of the points conceded.

Thus, the agreement to pay the 33 per cent. sliding wages above the 8 per cent. was omitted, but large sums were paid by the company on that scale. And the evidence of both the principal negotiators concurs in the point that the truce was to terminate January 1.

Early in December the committee asked that the arrangement be extended beyond January 1, and several interviews occurred. Mr. Whiting replied that until the company had gone out of the hands of the receivers he had no authority to act, and (141) "I asked him to wait at least until the new officers could be seen and their decision given upon the question." This was acceptable to the committee.

About December 17, Mr Corbin gave to the press a statement to the effect that under the agreement the miners had "contracted" to work after January 1 at the old wages. Whereupon, December 24, 1887, the committee, after several interviews, presented Mr. Whiting a letter (140) desiring to continue friendly relations, but protesting against any construction of the memorandum of September 17, "other than that the said agreement terminates on January 1, 1888." They urge "that it would be unfair to ask the mine-workers of this region to continue at work on the basis existing previous to September 1, for these reasons": First, the same considerations that warranted the demand of August 17 still exist; second, the condition of affairs now is what it was September 17; and third, the committee had only consented to limit the agreement to January 1 because the receivers could not act beyond that date. Hence, "that the insertion of a clause in the memorandum making any provision beyond January 1 can not in honor be considered binding." This was at once forwarded to Mr. Corbin. Receiving no reply, December 30 the committee notified Mr. Whiting that the agreement would expire December 31, and requested a renewal of its terms pending final settlement, which he acknowledged and promptly forwarded to Mr. Corbin.

MR. CORBIN'S OPEN LETTER.

On this date, while waiting for an answer from Mr. Whiting whether negotiations were to continue, the committee read in the papers a statement by Austin Corbin, president of the Reading Coal and Iron Company, to its miners in the Schuylkill region, setting forth the company's position. Mr. Corbin and his general manager "had talked it over a good deal" (p. 97), and under all the circumstances it is a remarkable letter, intended, perhaps, to impress the general public more than the miners. The fatherly kindness with which a capitalist so distinguished in financial circles explains to 22,000 uneducated miners the simplest laws of trade is most commendable; and the suggestion that if the Reading Company should close its collieries, "you, instead of receiving the advance of wages, would receive none at all," is certainly potent.

> Appreciating thoroughly the importance of having all our miners friendly to us, and having them believe that we are at all times not only willing but anxious to treat them generously, we conceded your demand in so far as this, that we would increase the basis for four months, with an agreement that if there was no change in the meantime on the part of the other operators (Lehigh), and increase by them, you would return to the old basis.

They are asked to consider that, under the Corbin management for a year, they have worked more steadily and received better wages than in the previous ten years, and assured that while "the company can not pay more for its labor than other companies, it will never pay less."

> This company has made great effort to maintain good prices for coal (pool?), which means to you, certainly under the old basis, good wages for your work.
>
> What you all want, as I believe, is to have steady employment at fair wages. A strike in our mines would simply mean an increase of the price of coal at other mines, larger profits to other companies and their miners, a great loss to the Reading Company, and a comparatively greater loss to you. This is the argument we have to make to you on general principles. Is it not a fair and just one?

The spirit of frankness, generosity, and equity beaming out of the whole letter is most admirable, and likewise effective in molding public opinion.

"But there is still another side of this case which we wish to present to you. That contract made in September was a very fair one. I will give you a copy of it. Here it is;" and then follows the memorandum, (which at the request of the company the committee had kept secret), *except* that the essential clause as to its life-time is omitted, namely: "And this agreement is to terminate January 1, 1888." Yet, the whole of the following sentence swings upon that clause. By striking it out the sentence is made to swing upon "or until January 1, 1888;" and the memorandum would then read, "the company is to advance wages 8 per cent. until January 1, 1888. * * * If the Lehigh strike is not then settled, the company are to return to the basis of September 1." In the printed copy of this letter, as read by Mr. Corbin to your committee, the omitted clause was subsequently inserted in lead-pencil.

Mr. Corbin continues:

> It (the agreement) was signed by our superintendent, Mr. Whiting, and by your representatives. It is plain in its terms. We have kept it in good faith and treated you honestly, paying you every cent you were entitled to under it, and amounting in the aggregate to very large sums of money, and now, on the 31st day of December, by this agreement, so plainly expressed, the advance which we agreed to give you ceases, and you, under your part of the agreement, bound yourself to continue on the old basis, which, as I have said, gives you considerably more money for your labor, in case of good prices for coal, than is realized by miners in other localities.

Under all the circumstances, the next paragraph has an unctious honesty and a luminous honor that is exquisite!

> Let me present the case in this light: Suppose that on the first day of last October we had found that we were paying more than we ought to pay (as we really did): that there was no likelihood of any change in the situation, we had said to you, "notwithstanding our agreement we have made with you, we can not afford to, and therefore will not, pay the increase of wages." Suppose I say we had violated in that open way the plain contract honestly made with you, what would you have said of the Reading Company? I do not ask you to express it, but think it over. The contract, as I say, was a fair one, and made with a thorough understanding of what its contents were by both parties. We have fulfilled our portion to the letter. Indeed, I would not remain a moment at the head of the Reading Company and see a contract with our miners, as fairly made as that was, violated!
>
> I believe that when you understand the situation, *as explained to you in this paper*, your answer will be to any man who asks you, that there is our *contract* (italicized) which we have made with the Reading; the company has performed its part of it faithfully, and now, we as honest men, are going to perform our part of it. I believe you are.

John H. Davis (56):

> December 31, while we were waiting for the ideas from Mr. Whiting as to whether we were to negotiate, Mr. Corbin came out in a circular to the miners, in which he gave the agreement and omitted the most important point in this memorandum in that circular—that "this agreement terminates January 1, 1888."
>
> Q. Did he omit that?—A. He did. Soon after that I called the attention of the public to that fact, when he was forced to send out the memorandum a second time, and he inserted that. We had the whole agreement published in full and circulated it as an answer to his circular.

The insertion of the clause in the garbled "copy" for the first time given to daylight by Mr. Corbin, and not by the committee, would have neutralized his whole argument. Its omission, therefore, was not accidental. The garbling was not done "in an open way," and neither the miners nor the public could imagine that it was done at all. But the real agreement was thereby "violated" and mangled all the same. How should honorable men characterize such an act by the president of a great corporation, dealing with 22,000 miners unskilled in construing legal instruments? "We do not ask you to express it; but think it over!"

January 1 the truce expired; the forces stood as before it was entered upon. The 45 Reading collieries became silent, and 22,000 Schuylkill miners, with their families, or 100,000 men, women, and children, joined columns with the 50,000 Lehigh people in fighting the battle of starvation.

January 6, the joint committee resolved (p. 147) that all work in the collieries, except that necessary for pumping and feeding live stock, should stop where the operator had not agreed to pay the wages prevailing prior to January 1. Mr. Whiting (p. 144) states that up to this time there was no injury to property or persons. The men simply remained at home, contenting themselves with a refusal to associate with those who did not join in the strike. The same obedience was paid to law as in the Lehigh region. Weeks passed during which these 22,000 men and boys, though surrounded by all the temptations of continued idleness, and composing the great bulk of the population, were more orderly than one quarter of the people in any city would have been under similar circumstances.

THE SHENANDOAH "RIOT" PROVOKED BY THE COMPANY.

During the whole of the strike serious violence occurred at but one point, and was incited by the company rather than by the men. It is a question in the minds of your committee whether the Shenandoah "riot" was not intentionally provoked by the company for the purpose of placing the strikers in the position of offenders, and of thus influencing public opinion in favor of the company. Mr. Corbin and Mr. Whiting, both of whom spoke upon "rumor," magnified this occurrence to the utmost, the former saying (101):

> They have had able bodied men 6 feet tall and weighing 180 pounds, with clubs in their hands, pounding small boys who work on the breakers trying to earn a living for themselves and their mothers. Mr. Whiting will tell you stories that will make your heart bleed.

A thorough investigation of the matter was made by your committee within three weeks of its occurrence, and the testimony of many eyewitnesses speaks for itself.

The legislature of Pennsylvania passed an act in 1865–'66 authorizing railway and other companies to employ policemen for their own use, but only when appointed and commissioned by the governor. The pretense for the enactment of the law was probably to confer upon them the functions exercised by private watchmen, but its effect is far different. Daniel Christian, chief of the Reading police (438), said:

> Q. Have you any authority to go outside of the mines at all, in any town outside the premises of the coal company?—A. Yes, sir.
>
> Q. Does the law give it to you?—A. Yes, sir; the law gives me the authority in this county as the policemen of Philadelphia have in the city.
>
> Q. Can you arrest for any offense in the county?—A. Yes, sir.

Shenandoah is purely a mining town in a nest of collieries, with over 10,000 inhabitants, and a large element of Huns, Polanders, and other foreigners, originally imported by the operators to cheapen labor. About the last of January some fifty Reading police were sent to Shenandoah, according to the evidence. A colliery, known as the "Shenandoah City," began working a small force at the reduced wages in February, and these police ostentatiously "protected" these men to their homes. The evidence shows that the men generally preferred taking care of themselves, and followed their own route.

FRIDAY: COMPANY POLICE FIRE INTO A CROWD AND WOUND FIVE PERSONS.

Friday afternoon, February 3, about one hundred boys and men were at the gas-house near the "Shenandoah City" colliery. John N. Bock (420):

> I went down to see what was going on. In the middle of the crowd was a Coal and Iron policeman. I was standing there a couple of minutes, and during this time the Miller and Rhodes colliery had quit work, and a young man, he must have been sixteen or seventeen years of age (Corbin's small boy), was coming over from it toward the railroad, and the crowd was standing on this side of the railroad. I saw a man running towards him, and thought he wanted to chase him home, and somebody was throwing snow-balls or something at him. The young man ran off. A company policeman rushed after the man chasing him, and they got tussling with each other.

The crowd ran over to them, and others behind threw snow-balls and stones at the policemen. "Eight out of ten in the crowd were Huns and Poles."

> [illegible] Q. In the beginning it was more of a snow-balling and a frolic, and the [illegible] were a little angry?—A. That is about the most of it.

The police drew revolvers and the crowd seized fence-palings. Krieger, a company policeman for twenty-one years, says (p. 419):

> One of our officers, Lieutenant Moyer, told them to drop that, and they would not give them up (the palings), and drew pretty near, *and that opened the ball.* The crowd rushed in then, and as others would come up they (the police) would grab their man. I got hold of one man and handed him over to one of the officers (company policeman). Then there was another one came up again with a stick to assist the first man, and I got hold of him and I pulled him in. I always carry a pair of handcuffs, and with the assistance of one of the officers I put them on this man. I forced my way through the crowd with the intention of going to the justice's office. I got through about 30 or 40 yards and I saw the crowd gathered around the officers who were closed together, and it was going like they had more than they could handle. [illegible] officer drop and a prisoner run away, and the officer got up and ran after him. When he got up he fired a shot, and *then* the clubbing began. There were five [illegible] shots. I got away with my man.
>
> Q. Who fired the first shot?—A. It was one of our officers that fired the first shot [illegible] crowd.

Five persons in the crowd were wounded by bullets, two of them in the head and one dangerously. The crowd fell back. The company police had no caps or other uniform to distinguish them from private citizens.

The facts are, that they seized the Polander who chased Corbin's young man; his countrymen gathered about him; the police grabbed [illegible] ones; handcuffed one whom a single policeman leads through the crowd and away; another policeman having hold of a man is tripped or knocked down, the man escapes, the policeman jumps up and fires, runs after him and fires at him, and then the six policemen fire into the crowd and put bullets into five persons. These alleged police were not a posse of the sheriff, nor were they the police of the town, but simply employés of the Reading Company, under its direction, and paid $2 a day to execute its orders. In India thugs can be hired for less money. What effect such butchery would have upon the 10,000 inhabitants of Shenandoah, most of them miners, is easily seen. Should six private watchmen of a street-car company in New York, under exactly the same circumstances, shoot into a crowd and wound five men, no one can tell what would follow.

The shooting was done in the town limits, and the city has three paid policemen, one of whom was James Shields. He reached the crowd, then rapidly increasing "to see what was going on," as the company police began firing, whereupon "the crowd rushed back." After the shooting he arrested Jacob Dibert, one of the company police, "for firing with intent to kill into this crowd that was there," and the rest of the police except two went with their comrade to Squire Monaghan's office. There a Polander preferred charges against Moyer, lieutenant of company police, for beating him on the cheek with the butt of a revolver.

An hour or more elapsed, during which Christian, chief of the company police, had arrived by train and gone to the squire's. No persons were allowed in the room except the police and reporters, less than a dozen. Christian (p. 431):

> I had a consultation with the men who were under arrest, and we agreed that they had better be committed and taken to Pottsville in charge of the officer who had arrested them, and they intended to give bail after they got there, and the squire began to make out the commitment (which was not finished at that time).
>
> (437) Q. Did you come to the relief of your corporation police to secure them bail and to get them out of the clutches of the law?—A. *I did:* I went to see what was the matter.

The crowd, mostly Polanders, had been shut out all this time and finally broke in the front windows, whereupon the insiders decamped through the back windows. Christian furnished his arrested men a carriage, and they went to Pottsville on their own hook, surrendered themselves, gave bail, and were not tried. Shields (445):

> Q. Do you know whether they have been indicted?—A. I do not know. (Three weeks afterwards.)
>
> Q. Has there been any preliminary examination?—A. Not that I know of.
>
> Q. That was a waiver of examination?—A. Just for the occasion.

In the mean time Krieger had taken his hand-cuffed man to Squire Shoemaker's office, and says (450):

> He was a Polander, and I took a Pole with me to interpret for him. I wanted no more of the crowd along. They were pretty close to our heels, and I ordered the door locked and the man assisting me to stay at the door. We were about having a hearing when they tried to force in the door; there was an ironing-board braced up against it, and stones began to come in at the window. I heard the racket outside and the threats.
>
> Q. What threats did you hear?—A. I could not understand; it was all pretty much Polish talk.

Bail was very quickly accepted, and Krieger decamped through the back window, as his chief had done at Monaghan's.

American courts are open to the people. Star chamber secrecy in preliminary trials is nowhere suffered. But these company thugs take possession of the squire's office, barricade the doors, keep an incensed crowd waiting in ignorance of what trickery is being executed, till finally, beginning with snow-balls by boys, it breaks the windows. There is many a town outside of the mining regions where, in addition to the windows, some heads would have been broken under similar circumstances.

In the meantime the train has brought re-enforcements to the company police, and fourteen of them marched through the principal street, where they had no earthly business, and where their presence was likely to provoke a further collision with an excited populace. It was night, but under brilliant electric lights. Two of the town policemen halted the company squad (p. 446)

> and as they came to a halt, each man had his hands in his overcoat pockets. Then they opened out, and placed two revolvers in my mouth, and did the same to Mr. Igo, and said, "Keep back."
>
> Q. Did you have your badge in full view?—A. Yes, sir.

This closed Friday's proceedings, during which not a shot had been fired by the crowd, and night settled down with the town authorities overridden by seventy-five company police, its streets in their possession, and the Reading train rushing up with more thugs and a full supply of Winchester rifles and ammunition. Whether the railway officials had instructed their police to provoke a disturbance, or whether these police did so on their own motion, is immaterial. They were the company's agents, and it is impossible to avoid the conclusion that they must have known that such actions could not fail to incite violence in any American town. If they did not act under orders the company would have discharged them for such culpable stupidity.

SATURDAY: MAYOR WILL PRESERVE ORDER.

Saturday, 3 p. m. (454), the advisory board of the Knights of Labor were in session, when it was reported that a crowd was gathering below Kehley Run colliery, which is operated by an individual and not by the Reading. The board offered 40 of their men to the mayor as special police, who were promptly accepted. The mayor had notified Christian that he would preserve order in the town. Just before quitting-time the leaders of the Knights went to the colliery, where they were halted by the company police, and informed the latter that they would endeavor to control the crowd, which was standing 800 yards distant, and to which they returned.

Christian ostentatiously starts from the colliery with 22 of his squad "to escort" the miners (p. 432):

> I got to a place below the colliery, and the men (miners) instead of coming down, most of them took to their heels when they saw the crowd. They took a different course and went home on their own hook.

Yet, he continues his march. Shields (444):

> Q. Did you see any men being escorted from their work to their homes? -A. I saw some boys come from their work, and they were let go by.

O'Hearn, one of the mayor's K. of L. posse, says (454):

> We got back to the crowd about 800 yards from the colliery, which was strung along the railroad track; and the company police started for the middle of the town! and they got into the heart of the crowd.

Christian says the only two men they were escorting had by this time "got out of sight."

> When they saw they could not get any further, they stopped there about a minute or two, when one of them jumped from the police ranks and grabbed a man in the crowd. As soon as he did that I grabbed him, and told him we came there to try to get the mob away but it seems he was trying to raise a racket. Christian jumped to the front and grabbed me. I said "All right." The boys were firing snow-balls, but the crowd was not. I said we would try to crush it.

Christian then ordered his squad to retreat, and says:

> I told the men to keep close together, and to keep cool, and not to fire on anybody without I told them, and we got out of the worst of the crowd.

He retreated for a quarter of a mile, followed by the crowd, hooting and throwing snow-balls, slate, etc. O'Hearn (p. 455):

> They took down along that flat, and as they were going up on the rise up to the railroad bridge two of their men fell and *one of them shot himself.* They went along back and then fired three or four bullets. Of course there were a few shots from the other side. In all about twenty shots were fired by the company police.

Christian, an interested witness, is the only one who says that the crowd fired first, and is contradicted by all the others, one of whom was his own man. O'Hearn (p. 455):

> Q. When these company police fired first and the fellows made for them, was that the beginning of the riot?—A. Yes, sir; the shooting. It was the beginning of the shooting at that time.
>
> Q. The crowd did not fire the first shot?—A. No, sir.

Krieger, company police (p. 450):

> Q. Who began the shooting that day?—A. I do not know; I can not say who began the shooting, but I know it was pretty hot there. They got pretty close to us.
>
> Q. In your judgment had any shots been fired by the mob before you returned their fire?—A. I think not.

The only person wounded on Saturday was a company policeman who, when falling, shot himself in the leg. That night the company police was increased to 125, including 50 of an alleged sheriff's posse, and all armed with Winchester rifles by the Reading Railroad Company.

THE RAILROAD TROOPS.

As before stated, the law required that all of these pretended policemen should be appointed and commissioned by the governor and be sworn in before the recorder. This safeguard to the people and State was ruthlessly shattered by the company's chief. He says (436):

> Q. Did the governor appoint all these policemen?—A. No, sir; the men were employed by me.
>
> Q. You commissioned them, then?—A. No, sir; I did not commission them.
>
> Q. Did you swear them in?—A. No, sir.
>
> Q. Were they sworn in as officers of the State, or of a city, or of anything else?—A. Some of them were, by the recorder.
>
> Q. What proportion of the men were sworn in?—A. About one-half of the men that we have here.
>
> Q. And the other half were not sworn in?—A. No, sir.
>
> Q. Simply selected and detailed by you and armed by you to do this work?—A. Yes, sir.

The power to enforce law is alone vested in the State, and can alone be exercised under its authority by the sheriff or minor civil officers. In this case the company, having a few of its alleged police commissioned by the governor, hires what other men it pleases, over whom the governor has no check. They are neither duly appointed nor sworn, and have no more authority than any other private citizen to fire on private citizens. The dangerous extent to which this flagrant breach of law and of the public safety may be carried is shown by a dispatch of the general manager of the Reading Railroad Company, December 28, 1887 (p. 81):

> I have seen your last message to Mr. Sweigard, general superintendent, indicating that there will be some trouble (at Shamokin), and I have just given orders through Mr. Sweigard to have the coal and iron police sent to your division at once, and I will send one thousand men there, if necessary, to protect the new men you put on.
>
> A. A. McLEOD.

Think of it! General Manager McLeod will promptly order a regiment of these hired thugs, not commissioned by the governor but armed with Winchester rifles, and just as well with Gatling guns, to any point that his military genius may determine. Yet the commander-in-chief of Pennsylvania troops is the governor, and that State is quite competent to preserve order. General McLeod, commanding the Reading Railway troops, is not on the State roster, but he swings his force at pleasure. Your committee saw the military train at Shenandoah, in which the Reading troops ate and slept with the Winchester rifles in sight. It could be moved to any point in far less time than the governor could furnish a company of militia.

What function of the State remains for this corporation to usurp? They force their miners into idleness by withholding railway cars; they send armed thugs to Shenandoah who provoke a "riot;" they "grab" and handcuff men standing in the crowd, and when one escapes fire at him and then into the crowd, wounding five persons; they seize the offices of the justices of the peace, bar the doors, and without commitment hurry away two of their men charged with murder to another town, where straw bail is given; at night, when halted by the town police, they put cocked revolvers at their heads and make them "stand back."

The next day, under the pretext of protecting men "who got out of sight," they march into the town and into the heart of the crowd; they jump out of ranks and "grab" the mayor's special posse; they retreat a quarter of a mile, and then fire upon the hooting crowd; they bring 150 hired men to the place, part of them under the guise of a sheriff's posse, arm them with Winchesters, and establish a permanent camp in a railway-train. And they do all this, under the pretext of law, in gross violation of the law. As one party to a contest, they usurp the judicial and police functions of the State to punish the other party and to rescue their own criminals from "the clutches of the law."

What is left of the State's functions for the railroad company to usurp? If such powers as these are to be exercised by the Corbin-Morgan syndicate, supplied with money collected by the millions from the people in the shape of traffic rates, then why not by all other railways? Why not abolish State and National Governments, with their armies and navies, their courts and constables, and formally recognize the practical rule of this plutocracy? But if this is not desirable, then no time is to be lost in wresting from these corporations the fearfully dangerous powers which they have seized and freely exercise.

We have detailed this alleged "riot" in February, over which Mr. Corbin's heart bled like a leaky roof in a heavy rain, to emphasize the fact that from December till the close of the lockout the mining population of the Schuylkill region, aggregating over 100,000, under the pressure of "their necessities," obeyed the law far more universally than many other communities would have done under much less provocation.

THE READING RAILROAD LOCKOUT.

A "strike" is a refusal of the men to work. A "lockout" is a refusal of the employer to let the men work. The Lehigh movement was a strike. As a matter of fact, the Schuylkill miners were virtually "locked out" prior to January 1 by the failure of the railway company in December to furnish the cars needed to empty the breakers, thus preventing the men from working. And this leads to what is wrongly called the railroad strike. It also was virtually a lockout, premeditated, and directly planned to force the men to strike.

The Reading railway system contains about 1,700 miles of road and employs about 15,000 men in various capacities. Like all corporations, it aims to secure the largest amount of work by the fewest hands at the lowest wages. During many years of virtual bankruptcy its efforts in this direction were systematic and successful. As an inevitable consequence, over work, under pay, and tyranny practiced by some of its officials, forced the men to unite for mutual protection.

For many years it had been the practice of the Reading that old hands should be retained and promoted if competent. When the Corbin management took charge of the road in September, 1886, numerous discharges of foremen and others led the men to believe that it was discriminating against the old employés, and especially against those who were active in labor organizations. John L. Lee, National Masterworkman of Machinery Constructors, Knights of Labor, aged thirty-eight, was discharged on the ground of being "incapacitated from old age" (p. 26). Similar discharges were made along the whole line.

A convention of 190 representatives of the assemblies was held, and a thorough organization of employés effected. Nearly all of them had joined the Knights of Labor during the year 1886. There were about 50 local assemblies, exclusively confined to employés of the Reading Railway. A convenient number of these were under the jurisdiction of a district assembly, and the latter under that of the general order.

AGREEMENT BETWEEN COMPANY AND LABOR ORGANIZATION.

December 28, 1886, a strike of 3,000 men at Richmond was compromised upon the terms of a written agreement between Gen. Supt. Sweigard and a committee of the order (288). The causes of this strike were numerous; mainly inadequate pay, the discharge of men unjustly without a hearing, working overtime without pay, partiality in the promotion of equally competent men, and "black-listing." These and other questions were satisfactorily settled. Item 16 provided "that the company will at all times receive a committee of its own employés to adjust any differences, and in the event of said committee not being able to come to an agreement the company will not object to see a committee of arbitration composed of Knights of Labor."

Accordingly the men formed a permanent committee, called the executive board, consisting of John L. Lee, chairman, Joseph P. Cahill, secretary, and one member of the local assembly in which a grievance might arise. It was their duty to negotiate such matters with the company, and they had final power to act. These men were official representatives of the employés in exactly the same sense that Mr. Corbin represented the company. The agreement was formally made by the company in consideration that the strike should stop, and for many months it was cordially executed by both parties, Sweigard saying that "it worked nicely." The evident purpose of the board was to maintain such friendly relations with the company, and to secure such adjustments of the various difficulties that must always occur in railway service, as to preclude the possibility of a strike.

NECESSITY FOR ORGANIZATION BY RAILROAD EMPLOYÉS.

The character of some of the grievances presented by the board will show the necessity for organization by the men and the conservatism of their spirit. (339) William Dotts, dispatcher, had supervision of the men and regulation of trains. By an explosion, one Rauk was blown 50 feet in the air. The body fell near Dotts and was taken to the round-house. Rauk's son went to the round-house, sent for an undertaker, but in the excitement failed to report himself as off duty while attending the funeral, for which Dotts suspended him without pay for one month.

It seemed Dotts had personal malice against the family. Rank's brother had both legs cut off. It is a rule of the company's that in such cases two men would go with the person to the hospital. The brother died on the ground, and young Rank was docked by Dotts for the half hour he was off.

The board examined one hundred and thirty five witnesses in the Dotts case, the company being represented by its chief detective. The evidence was submitted to Superintendent Sweigard, who upon it removed Dotts, but sent him to another station on the road.

At Auburn men were being discharged by some officials in personal spite. The company investigated the case and re-instated the men.

Oswald and Hummel refused to brake a train because the engineer was not a Knight of Labor, and were discharged (341). The Board sustained the action of the company.

Mr. Sweigard was very well pleased with our course in the matter, and said, "I will now suspend these men three months, and then re-instate them. Will that be satisfactory?" "Yes, we could not ask any more."

Then came the Sunday question. Our men were working on account of the Lehigh strike [which caused extra traffic from the Schuylkill mines] on an average 80 hours continuously without rest or sleep. They had to catch sleep in their caboose, and a meal where they could. They wanted to make every dollar that possibly could be made out of the Lehigh strike for the company. After working four months in that condition we made a grievance, and December 2, 1887, had to ask the company to do away entirely with Sunday work; that was all we asked. We were led to believe they would do so and hire more men.

At the request of the company the matter was postponed until January 1, 1888 [when the coal rush was over and the lock-out due] (343).

A law of Pennsylvania requires that employés shall be paid semimonthly, and the Board asked the company to obey the law.

Mr McLeod, general manager, asked us as a personal favor to drop that question [illegible]; that the company was about getting on its feet and were doing all they possibly could. We took a vote when in convention, and decided not to press the case.

[illegible] Our men were working on an average *thirty-six* hours, and would only receive one day's pay. The company agreed that twelve hours' work, should constitute a day, and to pay for overtime.

THE AGREEMENT BENEFICIAL TO THE RAILROAD COMPANY.

This agreement, officially signed, was a contract in every sense of the word, which the company was in honor bound not to "violate," and which it confirmed by uniform observance for a year. The proposition that 15,000 American workmen, though wearing overalls, are to have no channel through which to enter the august presence of their real employers, the management, is an intensity of snobbery only suited to a monarchy and insufferable by a republic. Employés possess rights which employers are bound to respect, and they also possess the power to enforce those rights. However distasteful these truths may be to arrogant railway officials, nevertheless they are existing and vivid facts, which may at any hour affect commerce and jeopardize charters.

This compact was reasonable and judicious. By it, whenever troubles should arise among employes which otherwise might endanger a strike, both the company and the men had bound themselves to deal with such contingencies through this board, and in the event of disagreement, to hear the advice of disinterested parties.

There was no attempt by the men "to run" the company. Each of the grievances which they submitted came wholly within the conceded relation of an employé to an employer. Protecting Rank against the brutality of Dotts is a very different thing from interfering with the true duties of a railroad president. The Dott spirit is far more prevalent among railway officials than are "hot-heads" among employés. Generally, the former produces the latter. And a notable feature in the practical working of the agreement, as clearly shown by all the evidence, was the uniform support which these 15,000 men gave to the action of their board. They not only kept plighted faith, but evinced a self control and conservatism in glaring contrast with the "wars" of railway companies upon each other.

The arrangement was not only beneficial to the company, but satisfactory to all parties. Mr. Corbin repeatedly met committees of the employés. He says (73):

> I met a committee representing the various departments of the Reading Railway. They came very often to our office during the last twelve months. Every now and then we had some trouble to talk over, and I always met them when I was able to do so, and when I could not somebody else saw them.

Cahill (333):

> Everything was working harmoniously. This board was well qualified for adjusting the grievances, and the company, we thought, was well satisfied that we worked for their interest as well as our own; in fact, we were in duty bound to do it. All the officials of the company gave our board courage. They said time and time again that as long as they had such men upon the board there would be no trouble.

RAILROAD EMPLOYÉS AID THE LEHIGH MINERS.

The men held conventions every few weeks, composed of delegates from the local assemblies. One met at Shamokin in September, shortly after the Lehigh strike. As they viewed the situation, the demand of the miners in the two regions had been willingly and permanently conceded by the Reading in its advance of wages 8 per cent. to the Schuylkill miners, so that the strategic point was that of assisting the Lehigh miners to obtain the same wages. Accordingly the convention resolved to give the Lehigh men all the moral and financial aid which the organization could command. Each of the railway employés contributed one day's wages for the support of the Lehigh miners, and a committee, consisting of Lee and Cahill, was appointed to distribute this fund.

The men believed that this action had the approval of the Reading authorities. Cahill says (345):

> Q. Now I wish to know if, when you passed this resolution at Shamokin, you believed that you would have the support of the railroad officials and had their tacit approval of it?—A. Yes; from the fact that our conversations with the different officials had led us to believe that the Lehigh Navigation Company were bitter enemies of the Reading Railroad Company.
>
> Q. And from that fact, and what Mr. Sweigard had told you, you believed that the company would not be dissatisfied with your taking that action?—A. Yes, sir.
>
> (348) Q. You say Mr. Sweigard had made the agreement not to carry coal to the Lehigh consumers?—A. He made no agreement but a verbal agreement; an agreement made verbally.
>
> Q. Did you understand Mr. Sweigard had any authority to make an agreement of that kind?—A. As general superintendent of the railroad company; yes, sir.

Lee (p. 22):

> In September I told Mr. Sweigard that I would go back to work, and he told me I had better stay where I was. He said, "You are doing more for the Reading Railroad Company in assisting the Lehigh strikers than twenty-five machinists can do in the shop. This strike (Lehigh) is a benefit to the Reading Railroad Company, but we do not want the public to know it."

Cahill (p. 337):

> We had the assurance of Mr. Sweigard that he would not ask our men to do anything that would jeopardize the interests of the Lehigh miners in bringing the Lehigh operators to pay the same basis as the Reading Company was paying. He never said anything to our men to the contrary up to the day of the strike.

Beyond all doubt the men believed that their efforts to aid the Lehigh miners were approved by the Reading authorities; that the Reading desired to force the Lehigh operators to pay the same wages to miners which it was paying; and that repeated assurances by its responsible officers fully justified them in so believing.

In November, although the company was mining a larger amount of coal than ever before, the greater part of the product was diverted from the usual route through Richmond. Lee directed Cahill to investigate the matter. At Shamokin are chutes for loading coal intended for the western trade only into box-cars. Tide-water coal goes directly from the mines without reloading. Cahill (334): "Previous to the Lehigh strike it was never known for tide-water coal to be dumped at Shamokin." He ascertained "that after the coal was dumped our cars returned to the different collieries, and the Pennsylvania and Baltimore and Ohio box cars and high-sides were reloaded from the chutes and switched off on the Pennsylvania tracks. Port Richmond at that time had only one-third of the proper amount of cars."

The inference was irresistible that the Reading Company, in spite of the statement of its officials, was secretly aiding the Lehigh operators by supplying them Schuylkill coal with which to fill their orders. That the traffic was thus diverted is shown by the subsequent returns (259), which were as follows:

Month.	Port Richmond.	Other points.
	Tons.	*Tons.*
July	152,000	365,000
August	170,000	474,000
September	174,000	428,000
October	134,000	485,000
November	109,000	507,000

Thereupon, a convention assembled at Pottsville November 22, representing the miners' organizations of the two regions as well as the Reading railway men. The Lehigh miners had now been out ten weeks, and their ability to maintain the strike was largely created by the contributions of the Schuylkill miners and railway men. The Lehigh operators were seemingly losing their usual trade and suffering accordingly. Apparently the Reading was taking most of this trade, and if so it had a future as well as present interest in executing the policy of aiding the Lehigh miners, as stated by its officials. Were this really the case the Lehigh strike would be won by the men. On the other hand, if the Reading were co-operating with the Lehigh operators, and furnishing them Schuylkill coal with which to supply orders and retain their trade, the Lehigh men would be starved into submission. This was the chief question debated by the Pottsville convention (334):

> That the Reading Railroad Company was supplying the Lehigh operators and consumers with coal, in face of the fact that Mr. Sweigard had assured us that he would not ask our men to do anything that would jeopardize the Lehigh miners in bringing the Lehigh operators to the same wages it was paying.

Ten car loads of coal from the Lehigh region came over the Reading to Bridgeport, consigned to Norristown, and the men refused to move them, acting under the Shamokin resolution. Sweigard telegraphed for Cahill (335), and said:

> The men have got cars tied up at Bridgeport. I want you to go up and move those cars. I asked him if it was Lehigh coal. He said, "No; you do not think I would do anything that would jeopardize the interest of the men; I am a workingman myself."

Lee (21):

> Mr. Corbin called the executive board to him, and said if the coal was not moved that the company would be violating the law. He said they were common carriers, and it was a violation of the law of the State. I told him if such was the case that the men had no desire to do anything that would violate the law.

The men immediately moved the coal upon ascertaining that it was a violation of the law, and did so by the order of the board.

Mr. Corbin had come over from New York to meet a committee relative to the Lehigh strike. He declined to see a committee that had been appointed by the Pottsville convention, as it represented the Lehigh miners, but met one composed of the Reading Railway men only. Mr. McLeod, Kaercher, and Keim were also present. Lee says (p. 23):

> After we had decided to move the coal we asked Mr. Corbin if he would exert his influence to try and bring about a settlement between the Lehigh operators and miners. He told us he did not see why the Lehigh operators would not settle it; it was a question of 8 per cent. He was paying 8 per cent., and they could afford to pay it; that he was a business man, and wanted to make money, and he wanted to make that money out of the public. He would like to pay the men high wages if the company would lose nothing by it, because when coal would advance the men would get better pay and the public would have to foot the expense.

Mr. McLeod thought of making an advance of coal, but the committee advised against it.

Some days after Lee called on Sweigard.

> Mr. Corbin did not want to be known as a party to the public. He advised that a committee should wait upon Mr. Childs and others. [It did.]
>
> In eight or ten days after that Mr. Corbin sent for Mr. Sharkey, president of the Shamokin convention, and told him that he believed that a settlement could be effected, as he was working with Mr. Maxwell, receiver of the Jersey Central, and had prepared some figures, and there was no doubt that Mr. Harris, president of the Lehigh Coal Alliance, would agree by the first of the year, and the work would go on.

All of this was subsequent to the Pottsville convention, and strengthened the belief of the Reading men that their course as to the Lehigh miners was approved by the company. On Thanksgiving day they were confident of victory. Cahill says:

> Everything was working systematically. We had the strike virtually won to the best of my knowledge at that time.

The agreement was kept by the company; the board was fully recognized as the representative of the employés; Mr. Corbin, as they understood, was quietly supporting their course toward the Lehigh strikers; they refrained from doing anything that might place the company in the position of violating law; the unusually large tonnage was handled promptly, the men working over-time and with a vim; and the best of relations apparently existed between the management and its fifteen thousand employés until near Christmas.

MR. CORBIN'S ENVIRONMENT.

Mr. Corbin was in absolute command of the Reading railway and coal companies. His will was supreme and his orders final. In addition to the Reading, he was an executive officer of the Morgan syndicate in its known relations to the Jersey Central, and in its unknown relations to other anthracite roads. The 1st of January was at hand, when the syndicate would take possession of the Reading, and when a new year of anthracite business would open. In what position did he find himself?

The closing year had fulfilled his expectations. The scheme of reorganization had been executed, and the stockholders had donated

$12,000,000. The apparent losses in 1886 had been converted into wonderful profits, the coal company alone making an apparent change of $2,500,000. The coal tonnage (p. 259), which, during the first half of the year, was from 500,000 to 650,000 tons a month, became in August 763,000 tons; September, 714,000; October, 768,000; November, 780,000, aggregating more than 3,000,000 of tons under the 8 per cent. advanced wages to miners. The forthcoming report, with which the $100,000,000 loan was to be floated, would be as bright as a rainbow. But after the report had been issued and the loan placed, the immediate necessity for rose-tints would have passed.

Besides, on the supposition that a virtual combination of the anthracite roads existed, as to which your committee have not the shadow of a doubt, the Reading had fully supplied, if not exceeded, its allotted tonnage, in which case the time had come when it must reduce the output. A total suspension of mining was less expensive than working half time. When no coal is mined no royalty is paid, and the $600,000 to $800,000 otherwise paid for wages remain in the company's treasury.

Furthermore, neither the Reading nor the syndicate could afford to permit the Lehigh miners to succeed. That result would make a permanent advance in the wages of both regions, aggregating many millions a year, which now the carrier takes as freight rates. Such result would lessen earnings and have a bad effect on railway securities.

And back of this lay another question of even greater importance to railways and Wall street, namely, a contest between organized labor and organized capital. This issue had been squarely joined. For four months the Lehigh miners, contrary to expectation, had not been starved into obedience. But unless they were conquered the Reading must not only continue to pay the 8 per cent. advance, but must suffer a great organization of labor to acquire that strength and permanent power which victory would assure. Such a result would ultimately damage railway securities beyond measure, and the investments of the bankers who gamble in them.

Apart from his own large holdings, Mr. Corbin, both as president of the Reading and as an executive officer of the syndicate, with the vast influence behind it, had everything to gain and nothing to lose, ultimately, by a lockout of the Schuylkill miners.

Their demand in August had been made at a time when Reading must show a large business, and he yielded to it on the best obtainable terms. But that emergency had passed. The company had been tided over the financial reefs and cast loose from the chains of the court. The termination of the receivership had been made the pretext to the miners for not extending their agreement beyond January, and, as already shown, he not only proposed to end it then, but to do so with such a brilliant display of honor and generosity as would win the plaudits of the public as against the alleged trickery of labor organizations.

But of course the 22,000 miners would thereupon quit work, and by so doing would reduce the anthracite traffic six-sevenths. During the fall the railway force had been extended and driven to the utmost. Such a stoppage of coal would make expedient a reduction of this railway force to one-seventh. The Reading employés were supplying the sinews of war to the Lehigh miners, and that must cease. Should the railway men strike, and especially should they commit violence, the company would be placed in the position of a martyr and law enforcer. The labor organization must be broken among the railroad employés as well as among the miners. Subsequent events confirm the opinion of your committee that this was practically the situation.

LEHIGH OPERATORS AND READING COAL.

Hon. Eckley B. Coxe is one of the prominent Lehigh operators, who not only does a large mining business but buys heavily from other operators. After the Lehigh strike he was doing nothing (591) "as far as mining is concerned."

> We also had a selling department to pay, which extends over a large part of the United States. We tried to reduce its expenses by buying and selling and trading in coal.
>
> (621) One-third of our capital is invested in the selling business, in boats, docks, and money to keep the stock up, and all that. Now a great many operators, if they had only 50,000 or 100,000 tons of coal to sell, could not sell it West.
>
> Q. How do you manage it?—A. We buy from people who do not have a selling department.
>
> (584) The Western farmer does not buy coal until he has got his harvest in; he then hauls grain to the elevator and buys a load of coal. The car that takes his grain to Chicago brings back a load of coal to the elevator. The vessel that takes the grain to Buffalo brings a load of coal from Buffalo; the box-car that takes coal to Buffalo from the mines may be loaded with grain to New York and Philadelphia or to our own mines. The farmer out West practically buys his coal almost exclusively in the months of August, September, October, and November.
>
> But we can not furnish all the coal needed then, and the consequence is we are obliged to pile up at Chicago, Duluth, Milwaukee, and other shipping points a large amount of coal, amounting to hundreds of thousands of dollars in value piled up, because we know when the farmer begins to move his grain he will want the coal. We expect to pile up $300,000 or $400,000 worth of coal at the receiving points for the supply of the grain-producing consumer. Lake navigation closes in November.
>
> We shipped a great deal of coal to Minneapolis last year. It went to Buffalo by rail, from there by water to Duluth, and thence by rail. Coal for Kansas generally goes to Chicago, and is reshipped by rail.
>
> (606) We buy and sell a great deal of coal, and being about out of business as operators in consequence of the Lehigh strike, we purchased from the Reading Coal and Iron Company and other parties thousands and tens of thousands of tons of coal.

WAS IT A PUT-UP JOB?

This evidence, corroborated by that of Mr. Corbin that they sold coal to any one who would buy it, supplies an important link. Tens of thousands of tons could not have been handled in a week. Mr. Coxe and other Lehigh operators possessing facilities for selling coal were constant buyers from the Reading during the Lehigh strike, as they had a right to be, and during these many weeks there was no trouble about its delivery to them. The Reading Company, by its own boats and barges, delivered the coal in New York Harbor just as it had always been in the habit of doing.

About December 10 Mr. Coxe sent one of his own barges to Elizabethport. It lay there two weeks. Some of the men declined to load it, assigning as a reason that it was not one of the company's boats, and believing (20) that the company was assisting Coxe in filling orders for the purpose of defeating the Lehigh miners. Mr. Corbin says (113):

> I think they did say that if it had been our boat they would have loaded it. I think they refused because that was a boat owned by Coxe Brothers, and they would not load our coal into it.

Here was a case precisely similar to that at Bridgeport, in which Mr. Corbin had called the board to him, and in which the men had promptly moved the coal. Mr. Coxe had not sent his boats for previous purchases, and now sends one for 400 tons of coal. For days it lies there after the refusal to load it, and the men believed that the company did not want them to load it. Cahill says (337):

> We believed the company would not ask our men to do it.
>
> Q. Then in the Elizabethport case you rested on the assent which you supposed

you had received from Mr. Sweigard to interfere with the delivery of coal for Lehigh operators?—A. Yes, sir. (349.) Had he stated to our board that he intended to load this barge and expected any trouble about loading it we certainly would have gone there.

The men would have loaded the boat. If the company did not want a strike it could easily, during these two weeks, have advised the board of its intention to load the barge.

Mr. Coxe (606):

> We purchased among other things 400 tons of broken coal from the Reading Company, and we sent our boat to Elizabethport for the coal, as it was to be delivered f. o. b. When the boat got there they telephoned up that the men would not load the boat, and to send another. We sent word back that we bought the coal and sent our boat for it and wanted it loaded. They then offered to deliver the coal to us in their own boats at any point in New York Harbor we wished at 25 cents a ton freight. That we declined. We notified them through counsel that we would apply to the court for a mandamus to compel the company to load that boat. *They then offered to deliver coal free at any point we wanted.* We declined that, and they declined to load it.
>
> Then we made application to the court of Philadelphia, and the judge said they were going out of the hands of receivers before the motion could be heard, and he would not give a mandamus. The day we applied to the court they ordered the men to load the boat, and the men declined. [This was Thursday, December 22.] I may say the offer was a mere accident on our part. Many people thought we had set it up, but it was a mere accident. When they refused to load the boat, we determined to know whether our boats could transact business or not.

Either this matter was understood between Mr. Coxe and the Reading or it was not. If it was, then it happened very opportunely for the Reading's purpose in case it wished to force a strike. If it was not, then the strike could have been certainly avoided by an intimation to the board that the company, after allowing the boat to lie unloaded for two weeks, had changed its policy.

The difficulty in Mr. Coxe's position is that of refusing to accept the offer of Reading to deliver the coal at any point without charge. Why should he insist upon incurring the expense of running his own boats when the company would run theirs for nothing? He says:

> Because we have many thousands of dollars' worth of boats in New York Harbor They are under United States registry, and we wanted to find out whether they would have to be broken up or whether they could go anywhere and be loaded.

He also says that this 400 tons of coal "was bought and sold to make a commission; that is all." It is singular that he had not previously, when purchasing so largely, sent his own boats and at that time tested the danger of "having to break them up."

Taking Mr. Corbin's theory that his miners had contracted to return to the $2.50 basis on January 1, unless the Lehigh strike was sooner settled, it is clear that he had an interest in deferring its settlement until after January 1, and then an interest in aiding the Lehigh operators to conquer their miners. And on the supposition that there was no collusion between Coxe and Corbin, as to this barge matter, the judicial proceedings can be accounted for in the desire of the former to make trouble for the latter among the railway men. But this theory is overthrown by the public announcement of Corbin, about the middle of December, that after January he would not pay the 8 per cent. advance; the effect of which upon the Lehigh strike Coxe very well knew.

Were it not for his positive denial we would incline to the opinion that the whole barge business, in itself a matter of small importance to Coxe, who for weeks had been buying heavily from the Reading, was understood between the parties. But if it were not, then the Reading could easily have avoided all trouble with its men.

This mine was ready for explosion December 22. Elizabethport was the shipping point of Reading coal for the New York Harbor trade. Closing it would close the chief outlet, prevent the unloading of cars, clog the breakers, and stop all mining.

THE SITUATION AT PORT RICHMOND.

The other great outlet was Port Richmond, where the company owns a mile of the water front. In the midst of its inclosed property are freight sheds and a grain elevator, alleged to be owned by Taylor & Co. All freight brought over the Reading intended for water shipment is handled by them. Cahill says that the men always believed Taylor & Co. to be merely another name for the railway company.

Bennett (p. 324):

> Late in November sixteen stevedores of the railway company, under charge of its foremen, were employed in Taylor's flour shed at union wages. He was paying a dozen men in the grain elevator $10.50 a week and asked the stevedores to work in the flour shed at $9 a week, which they declined. December 6, at a meeting of the men, this proposed reduction of wages was discussed and a committee appointed to see if they could not induce Taylor to pay the regular wages. They were unable to find him.

The railway company, it would seem, had completed a new freight shed, which Taylor was to occupy December 19. On the 17th he applied for men to J. O. Keim, the Reading freight agent, who sent for his assistant, and they selected six Knights of Labor. Taylor says (327):

> We left it to them to select that list. That was before we had done any work (in the new shed).

These men refused to work for $9, and Bennett says they were discharged; which must have been done by Keim, as Taylor denies that he discharged them. The following day, Tuesday, the men appointed a committee to see Taylor, in which (after repeated efforts) they were unsuccessful, and so reported to a meeting, which decided that the railway freight crews should not put cars in Taylor's shed after the 20th until some arrangement was effected.

LAYING THE WIRES.

On the 21st Taylor (p. 329) "had a conference with General Manager McLeod, in which he asked minutely in regard to these cars, and asked what we paid for wages, and said he would want an investigation. I explained to him in detail the various steps, and stated that I did not want the question of our wages to go through the railway channel; that I did not want it to go through Mr. McLeod's hands; and to insure that I wrote him this letter the next day," in which he demands the immediate delivery of cars, and "will hold your company responsible for all damages, and amenable as a public carrier." On the supposition that Taylor was simply a private firm and wholly disconnected from the railway company, what earthly pretext could McLeod have for investigating the wages paid by Taylor, and what right had Keim, the Reading freight agent, to discharge men who refused to work for a private person? To suppose that Taylor, to whose establishment not a track comes except the Reading's, was about to precipitate a strike of the railway men without the consent of the company is against reason. He was absolutely dependent upon the company for every pound of freight handled, and it is far more reasonable to suppose that his action was approved by McLeod.

Thursday, the 22d, McLeod, by Corbin's direction (p. 74), ordered Sweigard to deliver the cars, "and if the men refuse, discharge them immediately." The order reached Richmond at 1.30, and at 2 p. m. one crew had been discharged. Thereupon Bennett and Hede telegraphed Sweigard whether "he would not see a committee and stay the order for the present." In less than five minutes the reply came back, "Obey orders given you, and discharge five crews at the freight wharf; not one crew, but five." Which was done.

Under the agreement between Bennett and Sweigard (313) "that no trouble should arise before we had seen the officials," a committee waited on Sweigard about 6 p. m.

> He refused to see us point blank. He told us the time had come when he was ready to make a stand for a fight, and told us our organization might go to hell; that he was ready for a battle, and that the time had come. He was in great temper, and I asked him to compose himself and let common sense settle it. He said, "No, he would not receive a committee, and he would not arbitrate." We telegraphed Mr. Corbin: "The general superintendent refuses to see a committee; indications of stoppage; please advise by wire;" to which no reply was made. We then went to Richmond, and after consultation with our men decided that we would not cause any trouble; that we would pay the salaries of these five crews until such time that we might meet some of the officials of the company and patch the matter up. The following day everybody was working except the freight wharves. Everything went along smoothly until about 3 p. m.

Sweigard says that there were other crews besides these five which he could have taken to move the cars.

FORCING THE MEN TO STRIKE.

Friday, December 23, was the eventful day. At Mr. Corbin's direction McLeod ordered the Coxe barge at Elizabethport to be loaded and the discharge of any man refusing. This was executed at noon, when the whole force employed there, 132 men, was discharged.

Mr. Sweigard was preparing to move the Taylor cars. Mr. Corbin says (p. 84): "We had reason to believe that there would be attempts to prevent the bringing in on the Port Richmond docks of non-union men or new men," and therefore applied to the police commissioner for city police. A different statement was made to this commissioner (p. 316):

> Director Stokley, the commissioner, told us that Mr. Keim, Sweigard, and McLeod had come to him on the morning of the 23d and asked for a large police force to be sent to Richmond, as they had positive information that the coal wharves and grain elevator were going to be burned down that day. The committee explained to him the whole business, and he said that had he known the circumstances he would not have sent the force.

The company's own police regularly employed at Richmond was quite sufficient to prevent incendiarism without the aid of the city force.

About 3 p. m. 350 Philadelphia policemen marched into the Richmond yard, not to keep the grain elevator from being burned, but to protect the crews which were to put cars into Taylor's shed. Some 1,200 men were at work as usual, and regarded as an insult the display of such power to keep them "in order." Engine whistles were blown, and all the force quit work. No violence was attempted or property injured. The men did not stop because of the discharge of the five crews the previous day or by any orders, but of their own volition and directly on account of the presence of the city police.

Saturday all work was suspended at both Elizabethport and Richmond. McLeod ordered that Sharkey and Hede should be discharged; that no man discharged for disobeying the order to move merchandise should be again employed by the company, and also issued the following important circular:

Work will be resumed on Tuesday morning, December 27, at the Port Richmond yard; employés will report for duty at that time; the places of such as do not report will be filled by other men. The men discharged for disobedience of orders in refusing to remove trains to the place of destination will not be permitted to again enter the service of the company in any capacity.

The two assemblies at Elizabethport and Richmond went out on their own motion Friday. On Saturday several thousand train-men stopped work.

MEN SETTLE THE "FIRST STRIKE" UNDER AGREEMENT OF 1886.

Sunday, December 25, a convention was held at Pottsville, which decided that the action of the company in breaking the agreement was wrong, but that the men would try to settle the difficulty; and a committee for this purpose came to Philadelphia Monday, the 26th. Lee telegraphed Sweigard requesting him to meet a committee, as they desired to comply with Mr. McLeod's order "that all men who begin work on the 27th will not be dismissed," to which no answer was made.

That evening a committee of seven called on Sweigard, and Lee asked him if his telegram had been received. He said, "yes," and that his answer was, "no" (23).

When we went in he refused to meet us at first. Taking the order in his hand, he said, "I will meet you, but the order (general manager's) can go and be d—d. Your committee would not come and see me until you knew you were whipped. I have outgeneraled you. Had I the power at my back that you people have I could come into this fight and win; but the K. of L., their leaders, have no brains. They are d—d cowards, and they are afraid to fight." On that, Mr. Sharkey interfered, and he called Sharkey a liar, and a d—d liar; said the truth was not in him.

I said, "Mr. Sweigard, we did not come here to fight; we came here to make peace; we came here to try and prevent this strike from going any further. Now, what are your terms, or what do you want?" "Well," he says, "I want those five crews discharged; never to work for me in this company. I further want to discharge Hede, master workman of 6258, Sharkey, and Bennett. They shall never work a day for this company." I told him that was pretty hard, but that at the same time I thought we could manage to support these men; it was better to have them discharged than to have trouble along the whole road. "Is there anything else you want?" He said that would do. Then he shook hands with me and said, "If you will be advised by me, you will declare this strike off, and whatever side issues there may be, if your committee comes to me in a few days, we can fix things all up." I agreed to declare the strike off, and did so.

This committee of seven returned to a larger committee of twenty representatives, who unanimously agreed to accept the conditions, and that Lee should declare the strike off, and at 1 o'clock a. m. they went to the telegraph and Press offices, notifying the men along the road to go to work Tuesday a. m. Lee (24):

I authorized the committee to send telegrams to all points along the line, notifying the representative men that I had declared the strike off, and they should go to work in the morning. I sent a telegram to Elizabethport myself, which reached its destination. After 2 a. m. I went to the Ledger and Press offices, and notified the public that the strike was off, and that no men would be discharged who reported for work in the morning.

This settled what is known as the "first strike." On Tuesday morning, at all the points where the notice was received, the men returned to work, and the situation was precisely as if no trouble had occurred, except as to the discharge of the five crews and the persons named.

THE TRICK OF DELAYED TELEGRAMS.

The central points for distributing information were Reading, Pottsville, Shamokin, and Mahanoy City, to which telegrams were sent, and as usual, the Reading officials were requested to notify the men at all points.

Bennett says (318):

The 27th came, and the committee woke up everybody in Port Richmond, and all the men were getting ready for work, and some of that committee were starting engines to get ready to run. Everything was working all right on the 27th. About dinner-time I received a telegram from Cahill, at Pottsville: "Is strike declared off? Answer immediately." That afternoon I received a letter from Bensimur stating that they had received no notice from me that the strike was declared off until 11.10 a. m.; that the men at Palo Alto were out, and at the present time nobody had gone to work. Wednesday morning I received another telegram, that the men at Palo Alto and Shamokin were still out.

The telegram to Cahill showed it to have been sent at 1 a. m., but not delivered until 11.40 a. m. Other telegrams were similarly delayed. He says (362):

Had that telegram come in at the proper time, all of our men would have been at work. When I received the official notification it was then 12 o'clock. When the men reported for work then they were told their places were filled.

Tuesday, the 27th, Lee called on Sweigard and told him the men were very much dissatisfied at the way he had acted, after agreeing that they should not be discharged. I told him then that if he continued that way I feared there would be trouble on the road, the men would not stand it. He said he could not help it now, that if he had told them last night, he had now changed his mind; that these men were discharged now, and he advised me to go among the men and get them to go to work.

I said, "Mr. Sweigard, why is it that you have not lived up to your agreement? Men have been refused work this morning. What are you going to do about it?" He said, "Those men have got to be discharged, no matter what I said last night."

He had a paper containing what conditions they wanted entered into, and I told him the time to get a paper was last night in the presence of the committee. The conditions were that all men who were employed by the company would remain there, and the men who refused to obey the order would be discharged. I asked him what order. He said, "My order." I said, "Your order last night was that all men returning to work this morning will not be discharged. We men are obeying the order of the general manager, Mr. McLeod; do you mean to disobey his order?" He said I could make what I liked out of it; that was what it was now.

There is no doubt as to the fact that Sweigard did agree with the committee Monday night, as stated by the seven men, and that the first strike was terminated because of that agreement; that the telegrams were delayed; and that the men who did not report Tuesday morning were discharged. McLeod's order bound Sweigard, his subordinate, and the men acted upon it. Monday's agreement was in accordance with it. If the company did not want a strike, the telegrams would not have been delayed: men applying even at noon or the next day would have been set to work; and Sweigard would not so suddenly have changed his mind.

READING BREAKS AGREEMENT OF 1886.

Mr. Corbin's testimony may explain this change (p. 79):

I had Mr. Sweigard in the office in the presence of General Manager McLeod, and I told him distinctly that under no circumstances would men be allowed to return to the service of this road who had refused to obey the order that was given, and that no question of arbitration should be made with any organization. I think he understood his orders thoroughly. That was the very day we issued the order, the 24th. For six months the Knights of Labor organization had been interfering with every move they could, apparently, and I had made up my mind if we ever got to the point that I would have no more to do with that kind of business.

This was a formal notice by Mr. Corbin to Sweigard that the agreement of December 28, 1886, should be canceled, and, too, without any notice to the men.

It is important to know the exact date of this interview, which Mr. Corbin fixes on Saturday. It is unreasonable to suppose that Sweigard on Monday night would make an agreement closing the strike, in direct violation of such positive instructions. Mr. Corbin, in determining the date, says (p. 79):

> There did come a committee up to the office, and I was given notice that they would like to see me.

The evidence does not show any committee to have applied on Saturday, but that one did ask to see him on Tuesday. The probabilities are that his memory was at fault and that he gave these instructions to Sweigard Tuesday, instead of Saturday. Lee says, referring to the interview just quoted (25):

> In the morning of the 27th, when I learned the men were discharged, I called at the Fourth street office with another man and requested to see Mr. Corbin. He sent word that he, Mr. McLeod, and Mr. Sweigard were very busy, and could not see me just then, but instructed me to wait and Mr. Sweigard would see me.

The question of arbitration, to which Corbin refers, had not been raised Saturday, and had been raised by Lee's notice in the papers Tuesday morning. So that if the instructions were given to Sweigard Tuesday prior to Lee's interview, the reason for the sudden change of mind by Sweigard, and for his overruling the order of the general manager, is apparent. Mr. Corbin wanted a strike, and therefore Sweigard "could not help it now; he had changed his mind." "Do you mean to disobey the order of the general manager? That is what it is now."

Lee says (25):

> It appears to the workmen that the part taken by the committee in declaring the first strike off Mr. Sweigard took for weakness, and as this local assembly was composed principally of main-line men, that the telegrams were delayed there for an excuse to discharge those men for not reporting on the morning of the 27th.

At noon of the 27th the men at Richmond held a meeting and unanimously agreed to go out again, because the men at Palo Alto and other places had been discharged and victimized (318). "How?" "By refusing to give them work when they reported." Elizabethport did the same, and the second strike had begun.

Thus far it was confined to the two local assemblies at these places, but in the following days some 6,500 railroad men connected with the coal traffic had quit work. Those engaged in the passenger service and general freight traffic continued. A general strike was not ordered. Under the rules of the organization Mr. Powderly's board alone could make such order, so that the men were divided as to the legality of the movement and a majority of the employés remained in service. With the stoppage of mining, January 1, the necessity for railway employés in the coal traffic was reduced six-sevenths, and so long as the miners were idle the company had ample time in which to fill the places of the railway men it had thus locked out. Naturally these 6,500 men embraced the leading spirits among the Knights of Labor, and by ousting them Mr. Corbin gained his point against organized labor.

The evidence shows that for a year the men had fully kept the agreement of 1886; that they kept it Monday night, and closed the first trouble; that it was broken by Mr. Corbin's direction, without notice, Tuesday morning; that the committee were cursed and brutally insulted by the superintendent; that telegrams were delayed; and that the men were apparently maltreated for the exact purpose of forcing them to strike.

Diligent efforts were at once made to place the men before the public in the attitude of anarchists. Prosecutions were advertised with $10,000 rewards. The general manager announced that he would send "a thousand" company police to Shamokin if necessary; and the Shenandoah "riot" was in due time incited by the company and magnified in the press.

The representative men of the employés were vilified without measure, and an attempt made by Sweigard to show that Lee took pay from the company while employed by the men. The voucher produced as applying to October, related to work done in September, when he was on duty for the company. A similar trap had been set for Cahill. The evidence of the railway officials abounds in vengeful stabs at the Knights of Labor, and especially the leaders. Mr. Corbin thinks that if legislation could punish the "leaders" all would be well. These leaders were simply the representatives of the men and acting by their direction. And there is a sublimity of arrogance in the railway proposition, that Americans may not combine for lawful purposes and both select and follow leaders.

EFFECTS.

The effects of the lockout have already been shown. In October and November, 1887, the Reading hauled 1,548,000 tons of anthracite, which traffic was almost wholly suspended during January, February, and part of March, 1888, and entirely suspended so far as the company's mines were concerned, or 90 per cent. of the Schuylkill output. Mr. Corbin says:

> We have transported very little (71). The falling off in business has been very large ([illegible]). For a week we were more or less upset. In the mean while the coal trains stopped, of course, in the mines (114).
>
> Q. Have you now (February 15, 1888) all the men you need in the present condition of the work on the railway?—A. Yes, sir; and we have men on the list waiting to come back *when we start our trains.*

In fact, the usual train service as to coal was suspended for months Davis (63):

> You can go to Palo Alto to-day and you will see a great many locomotives covered with snow, because there is no demand for them.

Sweigard says (247):

> We had at one time 5,000 to 8,000 loaded coal cars side-tracked, which I suppose we moved in a week or ten days. When the strike occurred an order was issued that we would not run any coal trains, and probably these came after that.

This order was a deliberate and official refusal by the carrier to perform his legal duty, and was a sacrifice of the railway company to the coal company. Mr. McLeod (195):

> Q. Looking at it simply from the stand-point of a railroad manager, acting as trustee for the stockholders, would it not have been wise for you to have obviated that strike for the purpose of continuing your ordinary earnings?—A. If it had been framed on such terms as that we could have obviated it.
>
> Q. In what respect?—A. If we were obliged to pay the miners an advance that would put us at a disadvantage with our competitors, I think it would have been unwise to have made any such terms.
>
> Q. As a coal company?—A. Yes, sir.
>
> Q. Then really in this case the interest of the railroad company has been to an extent subordinated to the interest of the coal company?—A. Yes, sir.

The effect of the stoppage upon the city of Philadelphia is indicated by the evidence of S. C. Harris (Exrs., 211), as to the supply of coal in the previous year:

> January 13, 1887, we sent 8,000 tons, that is, about 1,600 cars, distributed all around the city and on the line. This does not include Port Richmond or New York trade.

The stoppage of coal in midwinter at the rate of 1,600 cars a day must have increased the price to the consumer.

The effect upon the treasury of the company during the strike is worthy of notice. It saved in the payment of miners' wages, royalty, and railway men not less than $1,000,000 a month; and it so restricted its output within the agreed allotment as to produce its percentage at the least cost by working full-handed. It also saved the 8 per cent advance of wages permanently.

It is not necessary to detail the effect of the lockout upon the 100,000 mining population in the two regions, upon the 6,500 railway employés, nor upon the consumers of coal. That one man, as president of a railroad corporation, should have the power to produce such effects at will is dangerous to the welfare of the Republic.

The statement of Hon. N. C. Brumm gives a general view of the subject, and was corroborated by many other witnesses.

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Mr. STONE, of Missouri, submitted the following:

I concur to a great extent in the elaborate reports presented by my colleagues. There are some criticisms I doubt the propriety of, and hence I do not approve of all that is said. I think a remedy, so far as legislation can afford one for the great evils existing, may be found in the line of the suggestions made in the report presented by the chairman of the committee. I refer now to the general ideas contained in his suggestions, rather than to the details.

My desire was to present this report at the last session, but as it was not done nothing will result at this time from our work in the way of legislation, and hence I have not deemed it worth while to add another long report to those prepared and submitted by my colleagues. The testimony taken speaks for itself.

W. J. STONE.

Mr. **Parker**, of New York, submitted the following:

Concurring in many things contained in the discussions of the railroad and coal strikes under consideration, presented by my colleagues of the special committee, I can not fully adopt their inferences or conclusions.

In each case the strikers were without adequate grounds or excuse for stopping work, and, in my judgment, the stoppage was prolonged unjustifiably, on the part of the employers for their own purposes.

It is evident that the corporations and individual operators on the one hand, and the banded employés on the other, pursue their own plans without regard to the public injury produced, and ignore the rights of the business men of the country, and are oblivious of the losses that may be suffered by other producers and carriers and by communities of consumers.

In these struggles the rights of those who, in the course of business, create the fund out of which the capitalist receives his dividends, and from which the wages of the working-man are paid, are disregarded.

Each party to the contention is quick to make use of the complaints of the public and the embarrassments of customers and consumers to aid itself in overcoming the other.

The business men, the customers, and the consumers throughout the country are made the victims of those who create and those who promote the disorder, and are especially entitled to protection, and it is the duty of Congress to provide such protection as to interstate commerce and wherever it has jurisdiction.

A. X. Parker.

VIEWS OF MR. CHIPMAN.

The resolution under which the committee to investigate the late Pennsylvania railroad and coal strikes was appointed, is very broad in its terms and derives its importance from the fact that it involves the entire question of transportation, the means used to facilitate it, and the persons employed in carrying it on. The rule to be established must be one of national application, not a solution of a particular case, but a law for every like case.

Under this resolution the committee were directed to report:

First. The extent, causes, and effect on interstate commerce of the continued failure of the Reading Railroad Company to transport such commerce and report to the House by bill, or otherwise, for consideration at any time, such legislation as is necessary to secure to the public the regular and complete execution by the railroad company of its obligations to serve as a carrier of interstate commerce.

This instruction, it will be observed, assumes that there was a "continued failure" of the company to perform its duty to the public.

Second. To investigate the difficulties existing in the Schuylkill and Lehigh coal regions of Pennsylvania between the coporations mining coal and the miners, and to further investigate all the facts in connection therewith and all the facts in relation to the matter, and report the same to the House with such recommendations as the committee may agree upon.

The extent of the strike on the Reading Railroad was general, and ultimately comprehended twenty-five hundred men who were "blacklisted," and who, now that it is ended, can not return to the employment of the company on any terms.

The strike was caused by sympathy with the miners, who had struck for higher wages, and was designed to prevent transportation by the railroad company of coal mined by persons not members of the organization called the Knights of Labor, to which the miners and railroad men alike belonged, and under the guidance of which they both acted.

The long continuance of the strike was due to the refusal of the coal operators to treat with the representative of organized labor—which was the more unreasonable because of the compact combination of these operators to control the price of labor and every factor which enters into the value of it. In this their power is irresistible, because the Reading Railroad Company and the Reading Coal and Iron Company are one, the former owning all the stock of the latter, and controlling, absolutely, its management. Thus the railroad company was both a producer and a carrier of the thing produced.

It is also the owner of enormous tracts of coal land and carries on the business of mining on a very extensive scale—so extensive that its output is about 6,000,000 tons of the entire 7,000,000 to 8,000,000 tons produced in what is known as the Schuylkill anthracite region, and of the entire amount of 36,000,000 to 37,000,000 tons produced in all the anthracite coal fields.

These fields are divided into districts styled, respectively, the Schuylkill, the Lehigh, and the Wyoming. Between the corporations and individuals mining coal in these districts there is a close combination to control the output, the labor, the prices, and everything connected with the supply of anthracite to the country. The manner in which this is done is by determining the entire amount which shall be mined in a year, dividing this amount proportionately among the three districts, and allotting to each corporation and individual operator, in a district, a proportion of the quantity, which the district is permitted to produce.

The miners are paid miserable wages, and are so controlled as to render them dependent on their employers. This is done by the smallness of compensation for what they do and by regulations which prevent them from making full time.

The men who manage the railroad and mines appear to be generally very rich, although the railroad, owing largely to the purchase of the coal lands at high prices, and the enormous debt entailed thereby, is in a bankrupt condition.

The first evil I recognize in this state of affairs is that the miners, men who vote and help to rule this country, are so underpaid that they have neither comfortable housing, proper food, nor means to educate their children (who are obliged to become wage-earners at a tender age) to be good citizens. The continuance of this state of affairs means a discontented class, dangerous to the nation, and unfit to take part in the government of the country.

Another evil is the rapid enrichment of a few by the labor of many people. This is a certain cause of discontent, an arsenal, from which anarchism may draw its most deadly weapons against organized government.

Beyond this, the Reading Railroad Company as a producer and a carrier is in antagonism to all other producers, and has an advantage over all others. Its output is enormous; its capacity still greater; its policy thoroughly selfish; and its facilities for transportation, united with the vastness of the output, render it despotic over the production of other operators, who ought to be its rivals but are really its dependents.

It is plain, too, that the allotment system is a wrong to the general public; that it must keep the coal supply less than the demand, and that it must enhance the cost to the consumer. This wrong is perfected to its full iniquity by keeping mines on railroad lands unworked and unopened, and by railroad control, through leases, of tracts belonging to private operators.

It is plain that we have here an odious form of "trust" dealing in a necessary of life and increasing the price of it by creating a scarcity, and by underpaying the labor which produces it. The only true foundation for the remedy of these evils is the cultivation of a healthy, moral sentiment. That they constitute a great wrong can not be denied. The conscience of the nation must be aroused to the enormity of combinations against the comfort of the people. When this is done we can correct the present and secure the future; but it is to be feared that under the glamour of money getting, the people themselves see in false lights, and that practices are regarded as respectable, which are inherently criminal.

As to the future, it is the plain duty of the proper authority to prevent the vesting of vast landed estates in the hands of corporations—the hardest of entails, because impersonal and unassailable by the humane sentiments which may make even a despot politic. We must ingraft on our land system the principle that coal, mineral, and natural-gas deposits embraced in the public domain shall for the future (the future impoverished by past improvidence) be held in trust for the people forever, the fee never to be parted with; but conscience alone is not sufficient.

The traditions of our race come from the days of serfhood, when labor was deemed ignoble, and, though up to the time of the civil war working people were regarded with respect, there is no doubt that to-day they are not so strong socially as they were then. Too much stress can not be laid upon this social aspect. In a government of manhood suffrage it embraces the entire question of men's equality before the law. How to maintain that practically is a very serious matter—serious, because if we fail to maintain it, there is an end of republican institutions. While our theories seem to make this equality easy and invincible, the dual form of our polity, Federal and State, render it difficult to ascertain what power shall protect it. The very foundation of good citizenship is good wages. Wise legislation may insure such wages sometimes, as, for instance, laws taking off taxes from labor, rendering land attainable and removing barriers from trade—laws which permit a laboring man to carry no burden, save that of the duties which his social relations entail. Surely no man should toil in bonds, and the laborer should have free limbs, a free mind, and no environment which will force from him an undue share of what he earns.

The most odious of taxes is that on the producing power, instead of on the thing produced. The muniments of labor are the accretions of society—the balance of gain after the work is paid for—whether that is burdened by excessive taxation, or by the greed of capital, is of no importance. The burden will have a reflex influence on labor, and the only remedy is lower taxes in the first case, and less gain on the part of capital in the other—in a word, a greater share in the value of the thing produced to the laborer who produces it. There is no necessity for many rich men. There is great necessity for many men of decent pecuniary competence. Yet, as the facts elicted by the committee prove, there are thousands of poor, underpaid citizens who give their manhood to the making of a few very rich ones. Perhaps this is inevitable. Perhaps under present conditions there is no remedy. It may be that "dangerous classes" must be bred in our free soil, and that discontent is destined to ripen into anarchism and fall into the decay of despotism. A paternal government might grasp the whole question and by arbitrary regulation establish either cheap or dear labor; but what can we do?

We act within the constitution, State and Federal. Where they *impinge* on each other chaos comes, each is crippled, because neither is supreme. Legally, as held by the Supreme Court of the United States, there is no neutral ground. The Federal power within its limits excludes the power of the State. There is no vacuum between the two, the States have the control of the domestic relations, as of husband and wife, guardian and ward, master and servant. They have jurisdiction over all contracts made within their borders. By some accident, either of citizenship or residence, the Federal Government through its courts may take cognizance of some of these contracts; but even then enforces them according to the "law of the place," which means the law of the State. This observance in the Federal courts of the local law is justly esteemed by Americans as entirely right—indeed, as indispensable to civil liberty; but the fact remains that the Federal Government is excluded from the general control of the labor question, which is of necessity a matter of local contract and therefore of State concern. If that question falls within the province of Congress, it is only in its aspects as it bears on interstate commerce.

The power over that subject is contained in article 1, section 8, of the Constitution, in this language: "To regulate commerce with foreign nations and *among the several States*, and with Indian tribes." This provision is very comprehensive. There is none other in the Constitution which limits it. When acted on it excludes all legislation of the States. It confides to Congress the care of the subject absolutely; but with all its breadth, untouched as it is by other clauses in the same instrument, it is circumscribed by the nature of the powers resting in the States. We must, therefore, act within the present defined limits.

What do they permit us to do? Within a decent observance of them, can we force men to labor against their will? Can we compel them to keep their capital in a business, when they choose to withdraw it? If we can do these things, we can fix the time, the wages, all the conditions of labor or we can confiscate the capital put into a business and alter the privileges of corporations, whose creation is the act of the State legislatures. If we can do this, we are absolute and, under the power to regulate interstate commerce, we may establish a despotism, which would frown on every hearth and drive every citizen as a slave before it. This constitutional power would be the absorbent of all other powers. It would obliterate the States, centralize the Government, and would, as despotism is prone to do, degrade labor.

As free men enacting laws to govern free men, we dare not give so bold an interpretation to the meaning of this power. Yet we must admit that the mere law of supply and demand can not solve the question of the needs of labor. Men as men, have necessities, which can not be foregone.

Their manhood is a factor in the price of their toil. Their manhood, emphasized by their citizenship and their political rights, raises them above the beasts of burden whose number determine their value, above the product of loom, forge, or field. There is a great human necessity underlying the problem of their wages; a necessity which must be satisfied because it is the first element in the problem, which will not be denied, but will in some form or another, in a land of universal suffrage, force itself to favorable solution.

The laboring men of the country have tried to solve this problem by organization. They have pitted combination against combination, the combination of toil against the combination of wealth. That they have a legal right to do this is admitted (as will be seen by the testimony) by the representative of the railroad and mines who appeared before the committee, but the admission is only a perfunctory one. The logical consequences of the right are practically denied. The formula of the reasoning by which this is reached is this:

> "Laboring men may legally combine to maintain the value of their labor; but we will not treat with, or in any manner recognize, their combinations. Our combination shall govern their combination. We sell coal or transportation. They sell days' work. There shall be no equality between us. Our interest shall dominate their interest. If they do not submit to our pleasure, we will resort to our armory of devices for human oppression and coerce them into submission."

Hence, the coal operators refused to negotiate with the labor organizations, and hence the Reading Railroad Company put hundreds of men on a "black list," marking them as unfit to be employed anywhere by anybody. Hence, too, it is their policy to keep their employés in their debt, to render them dependent for homes for their children, to keep before them, as an ever present menace, the facility with which foreign labor can be imported and the consciousness that, as few of them are allowed to work full time, a greater supply than there is a demand for labor always exists. By these and other devices the miners are are held in practical bondage, to insure perfect submission to which armed bands of police are maintained.

So it happens that the combination of capital meets the combination of labor at every point, and while admitting the right of the last to exist, strips it of all efficacy by denying it the right to act. This is an unwise policy. Organizations of labor may attain most beneficial ends in the economy of society. A respectful recognition of them by employers would tend to raise their standards of action, because it would give practical power to their action. They would become fully, what they are now partially, of moral importance, and would become conservative as they become efficient in protecting the interests of their members. They are composed of citizens of the communities in which they exist, and would feel their responsibility to be reasonable in their demands and peaceable in their methods.

The difficulties which meet us when we seek a remedy for the evils we are considering grow out of the freedom of our institutions. A despotism, with its brutal directness, might make things better, but it would have power to make them worse. While we ought not to rob the Constitution of its potency by strained constructions which destroy its natural implications, neither ought we to construe it so broadly as to cripple the rights of the citizen or the well-defined authority of the States. The power over "commerce among the States" is "to regulate."

In a broad sense that might embrace every process in the production of everything which is bought and sold, whether the fruits of the earth or the output of manufactories, as well as the conduct of persons by whom they are produced. The only test of constitutional authority would be whether there is traffic in the thing between one State and another. The consequences and absurdity of this comprehensive interpretation have elicited the comments of the Supreme Court. It would cover with its potency nearly every industry in the land and the States would be excluded from cognizance of most of the affairs of their citizens. Every contract would become a "Federal question," if it related to an article or employment entering into interstate commerce.

I can not believe that the words "to regulate" imply all this. They have vast significance undoubtedly. They bear with them inherently police power over the health and the morals of the people, as they are affected by the intercourse between the States, and in this light justify the enactment of inspection and quarantine laws; but primarily the authority is over persons by whom and vehicles in which the commerce is carried on, and is conferred to the end that there shall be no illegal burdens imposed on that commerce by the States, that there may be reasonable dispatch as to transportation, safety as to life and property, liability as to damages for neglect of duty, and prohibition to combinations by which rates of toll are advanced or the price of goods enhanced.

This is a very broad field; but it embraces strictly traffic *intercourse*, the power to regulate which being exclusive, when exercised by the United States, imposes the duty to prevent them from being the source of disease or from being used for immoral purposes. It follows, therefore, that Congress has power—

1. To provide for the safety of the lives and limbs of passengers.
2. To prohibit the carriage of things detrimental to morals (as obscene books), or to health (as lepers or diseased animals).
3. To determine what the law of the contract for carrying shall be:

(*a*) as to what shall constitute due diligence; (*b*) as to the measure of damages; (*c*) as to combinations which may affect the price to be paid under it. As to the last proposition, it only conveys the doctrine of good faith, that when a man is dealing with a carrier he shall not be subject to a conspiracy which eliminates competition as an element of price.

I think this is a fair statement of the power to regulate commerce as carried on among the States by individuals or existing corporations. It attaches to the agencies it finds and prescribes rules of action for them. It confers no privilege on any man or company. If they are engaged in transportation between different States this power by its own vigor embraces their business in its authority. This reasoning renders it plain that we may compel a man to fulfill a contract after it is entered into and to perform the duties which are implied from the relation he assumes to the public; but there is no method by which he, either as a proprietor or employé, may be forced to continue in an avocation so long as he has no franchise; his duty to the public may be discontinued at his pleasure. In fact, this duty does not consist in continuing in a business, but in doing it faithfully so long as he is in it.

The workmen for individuals or for railroads are guilty of no wrong if they cease work singly or in concert with others. A strike pure and simple is not and can not, therefore, be made an illegal act on the ground that the employer is a carrier of interstate commerce. The relation of master and servant implies no other and further duty in that case than in any other. Engineers, brakemen, and conductors are held to a degree of care commensurate with the nature of their occupation; but they may leave the service when they please, subject only to damages for breach of contract. They are liable to punishment if they commit violence in furtherance of a strike; but the corporation they serve is alone responsible to the public for failure to carry on its business on account of the strike.

The reason of this is plain. The workingmen have no franchise from, or contract relative to, the public, and therefore no corresponding duty. A law which would seek to compel them to remain in an employment would be an invasion of their freedom as citizens. For this reason it is impossible to enact a law which can compel an individual to continue in an avocation, or a workman to continue in an employment; but a railroad corporation exercises a public function, and has a duty which it may be compelled to perform by the sovereignty which instituted it. The field of its operation is the territorial limits of that sovereignty, and jurisdiction over the manner in which it complies with the terms of its creation is confined to the power from which it derives it charter. The control which the United States may establish over it is not based on its corporate capacity, but on the nature of its business, and is applicable to all persons and companies engaged in the same business.

The act of February 4, 1887, "to regulate interstate commerce" proceeds on this principle. It does not prescribe any duty. It only determines how an existing duty shall be performed. It creates no agencies. It directs the conduct of agencies in being. The individuals and corporations embraced in its terms fix their own character by the business they choose to pursue. They have no contract relation to the United States, no privity with them, and derive no power from them.

It is true that their corporate capacity places them on a different footing to that of an individual. They are created for a specified time, during which they must perform certain public duties. They have not the power of an individual to lay down these duties. They must perform them, and if they add to them the transportation of persons and things from one State to another, if, in a word, they engage in "commerce among the States," then the Federal Government may exercise the control over them necessary to compel them to a proper observance of the new duty thus assumed, but they may confine their business within the limits of the State, in which case the power of Congress to regulate commerce has no application to them.

I dwell on these considerations because it is important to observe that the Federal Government has power of regulation over a corporation created by a State not by reason of its charter, but because it is a carrier among the States. As a person in law it must be treated as every other person is. Congress can not interfere with the franchises granted by a State. They can neither repeal nor abridge them; nor can they, by assuming actual control of the operations of a railroad corporation, perform the functions confided to it by a State; but they may pass laws to incorporate companies to carry on interstate commerce.

That has already been done in the case of the Pacific Railroads, and that, if applied generally, would create a system over which the Federal Government might exercise the same full control which the States may now exercise over their local corporations. There is no doubt that that will be the only efficient remedy for such abuses as exist in Pennsylvania; but the bill proposed by the chairman of the committee (Mr. Tillman), proceeds on the assumption that Congress has the same control over a State corporation as the State itself.

It proposes to compel it to perform its duty by the identical remedies to which a State may resort, on the ground that the company is a State agency, clothed with certain public functions. To instance: The bill provides for a receivership to manage and control the corporate property "until the provisions of this act shall be complied with to the satisfaction of the court." This would make the United States the operator of the road and responsible to bondholders and creditors. Secondly, it would be a method of compulsion to the corporation to continue in interstate commerce. Thirdly, it would cause a conflict between State and Federal authority because the corporation owes a primary duty to the former to perform certain functions within the State, and because the latter can not perform, nor in any manner interfere with, those functions.

I regard the "provisions of this act," default in compliance with which would authorize the appointment of a receiver, as eminently wise; but are they within the competency of Congress, as applied to a local corporation? Does the interstate commerce power authorize the addition of a condition to the charter granted by a State? To fine a carrier of interstate commerce for neglect to carry, while he is in that business, is within that power, and in that respect I agree in principle with the bill proposed by the chairman; but I am certain that Congress has not the power to prohibit a corporation from acquiring land, nor from engaging in manufactures, or production of any kind, if its charter permits it to do so; or to prohibit its officers to furnish it with supplies or material.

If the corporation was of Federal origin the power would be unquestionable, and, indeed, all the provisions of the proposed bill would tend to make the operation of railroads, and not corporate plunder and outside speculation, the chief business of railroad companies. If all these provisions had applied to the Reading Railroad Company it would probably be a solvent organization.

How far the Federal Government may proceed in instituting an exclusive system of corporations to carry on interstate commerce is a grave question.

That power seems to be fairly implied from the general authority to regulate commerce. No doubt the States can and ought to remedy abuses, but there is no probability that they will act in concert, or that they will deal effectually with the evils which oppress the public. In some of them corporate influence is strong and dictatorial. Whether it can be excluded from Congress is doubtful, although the present temper of the House of Representatives is honest and independent. The true radical remedy lies in a prohibition to individuals or companies to engage in interstate commerce when they are guilty of the misconduct disclosed by the testimony in this case, and should prohibit all the acts forbidden in the proposed bill.

Such a provision can not constitutionally be applied to State corporations now in being. It must, to protect the future, be embodied in a Federal law which will compel all companies desiring to be incorporated as carriers of commerce "among the States" to derive their charters from Congress. At this late day in the life of the present Congress it would be futile to formulate such a measure, but the suggestion of it may prompt discussion and tend to evolve a well-considered statute.

LABOR TROUBLES IN PENNSYLVANIA.

WASHINGTON, D. C., *February* 10, 1888.

The select committee to investigate existing labor troubles in Pennsylvania, Messrs. George D. Tillman, W. J. Stone, of Missouri, J. Logan Chipman, John A. Anderson, and A. X. Parker, mét to-day in the room of the Committee on Commerce for the purpose of beginning their investigation.

Mr. Anderson read the resolutions under which the committee is authorized to act, as follows:

> *Resolved*, That a special committee of five of the House of Representatives be appointed to investigate forthwith the extent, causes, and effect upon interstate commerce of the continued failure by the Reading Railroad Company to transport such commerce, and to report to the House, by bill or otherwise, for consideration at any time, such legislation as is necessary to secure to the public the regular and complete execution by a railroad company of its obligations to serve as a common carrier of interstate commerce, and to investigate the difficulties existing in the Schuylkill and Lehigh coal regions of Pennsylvania between the corporations mining coal and the miners, and to further investigate all the facts in relation to the mining corporations and individual miners of anthracite coal in connection therewith, and all the facts in relation to the matter, and report the same to the House, with such recommendations as the committee may agree upon, and that said committee be authorized to sit during the session of the House and at such places as it may find necessary, to employ a stenographer, to administer oaths, examine witnesses, compel the attendance of persons and the production of books and papers; and the expense of such investigation shall be paid out of the contingent fund of the House.
>
> *Resolved*, That a sum, not to exceed $5,000, sufficient to pay the expenses of the special committee of the House appointed to investigate the extent, causes, and effect upon interstate commerce of the continued failure of the Reading Railroad Company to transport such commerce, etc., shall be immediately available and payable out of the contingent fund of the House on the order of the chairman and one member of the said committee, in sums not exceeding $1,000 at one time; and all vouchers for any such expenditures shall be likewise certified to by the chairman and one member of the committee.
>
> *Resolved*, That said special committee be authorized to employ a clerk.

TESTIMONY OF MR. CHARLES N. BRUMM.

Hon. CHARLES N. BRUMM, in whose Congressional district (the Thirteenth the Schuylkill mining region is situated, at the desire of the committee made a statement concerning the matter under investigation. After consultation the committee decided not to swear Mr. Brumm, because he had already been sworn as a member of Congress.

Mr. BRUMM said: In my opinion the cause of the trouble existing in the coal regions is primarily the result of the over-development of that industry, which was stimulated, I think, during the war; that the product of anthracite coal under the system under which they are mining and shipping it is larger than the demand for it at the present price or at the prices that have been ruling lately, with the prices of other coal. We know that in what is known as the Wyoming region New York capitalists principally bought up the lands and controlled all the railroads, and practically did the mining and shipping of the coal in that region; that that necessitated a like action in the Lehigh region and the Schuylkill region.

I speak of the Schuylkill region from personal knowledge when I say that in that region coal before the war, and some of it even now, and all along since, but especially before the war, was successfully mined by individual operators. The lands were owned by men living principally in New York, Philadelphia, Boston, and different places. These individuals, at their own expense, worked the mines, paid their royalty, and shipped the coal over the Mine Hill Railroad and other roads. The Reading Company absorbed the lands in what is called the Schuylkill region, I think, as a matter of business necessity, to compete with those in the upper regions. The carrying company, for the purpose of securing the carrying of the coal of that region through which this Reading system ramified, absorbed all the small roads, including the Mine Hill, the Little Schuylkill, and a number of other railroads. These three corporations or systems (for I do not know that you can call them corporations, the Lackawanna, including a number of corporations, and the Lehigh and Schuylkill each include a number of these corporations) heretofore regulated all prices of coal, toll, and wages, as well as the output. In my region we knew it by what was known as the Anthracite Board of Trade. Now it is regulated, from the best information that I can get, by a board that represents these three systems, generally at New York. The price is regulated by circular in my region. Circulars are issued by the Reading Company that the price shall be so and so. By what authority, what regulates that, how it is done, except by the positive decree of the heads of that corporation, I do not know.

The CHAIRMAN. How often are these circulars issued?

Mr. BRUMM. Periodically; I think perhaps every three months.

Mr. ANDERSON. Do you speak of the railroad company or the mining company?

Mr. BRUMM. I include the Reading mining company with the railroad company, for they are really one institution under separate charters.

The CHAIRMAN. If I understand you, Mr. Brumm, in the Lackawanna, Lehigh, and Schuylkill regions the common carrier is also a coal miner?

Mr. BRUMM. The common carrier has the control either by being the owner directly or indirectly, and absolutely controls the mining and the price of coal in all these regions; in some perhaps more directly than in others. I am a little cautious about what I say about the Lackawanna, because I can not speak concerning it of my own personal knowledge, but when I speak of the Reading I am speaking of my own personal knowledge, whatever I shall say about it.

These corporations and individuals, having a capacity to mine and ship more coal than the market demands at ruling prices, have inaugurated a system of allotment by which all agree that each shall have a certain percentage of the output during the year. The Reading percentage, I think, is something like 30. The Lackawanna has by great odds the largest percentage in this allotment. The Reading system, when it became the purchaser of the lands, which I believe it did as a matter of business necessity, in order that they might get the carrying trade, in my judgment paid too much money for a great deal of this land. It was bought principally on credit. The result is, if my recollection is correct, that the Reading corporation pays 50 per cent. of its gross receipts as interest on the loan, on its debt. The great bulk of the debt for the coal lands is on credit, and I am not sure, but I have understood the debt is secured by the bonds of the railroad. They did not pay enough cash for the mining lands to make the mortgage sufficient security, and my understanding is that the mortgage is secured by the railroad company.

The CHAIRMAN. By a first-mortgage debt?

Mr. BRUMM. I think it is a second or third mortgage. The railroad company became security for the debt in order to purchase these lands at speculative prices. That the Reading Railroad has not bought all the lands within the Reading system is because the city of Philadelphia, under the will of Mr. Girard, owns a large tract of land under the Reading system. There are a number of other individual land owners who still own mining land, but outside of the Philadelphia land there is hardly any land that is owned there that is worth while mining, because their "run," as they call it, is not large enough. They will have to pay a royalty to go through the Reading land; there are still some individual operators. The Reading Company in its allotment gives its cars to the individual operators according to the capacity of the individual operator relative to the capacity of the Reading Coal and Iron Company.

The CHAIRMAN. By the word "operator" do you mean owner, the person that works the mine as owner or lessee?

Mr. BRUMM. Either. The individual operators are very seldom owners of the land, but are generally lessees.

Under this allotment system they have a man by the name of John Brennan, or "Dunnan," as he is nicknamed, a mining inspector, who has been employed by the Reading Company for the purpose of ascertaining the mining and shipping capacity of the various collieries, and rating them so that they would know just how many cars each was entitled to according to the rating.

The CHAIRMAN. Do you mean shipping capacity by rail or by rail and water?

Mr. BRUMM. The Reading system owns the railroad and the canal. I mean the shipping capacity in tonnage. One colliery might have a great many openings. The coal-measures in my region are generally lying in valleys between the mountains in what are known as north and south dips. In the Wyoming Valley they vary, and in ours they vary in pitch. They are in various degrees from horizontal to perpendicular. As a rule, we have a north and south dip, somewhat like the form of a book nearly fully opened.

A coal mine is opened by sinking a slope inwards along the dip or by a shafting perpendicularly till you strike the vein. You strike the vein either by slope or shaft, or by a drift above the water-level—just above the level of the creek—and the water in the latter case all drains off. When they strike the vein they drive gangways east and west, then they drive "breasts" up and keep driving until they exhaust their run, as it is called. The run is the outside limit of their land or lease. When they exhaust all these gangways and the breasts they then sink another lift, as they call it, and then they drive gangways and run breasts in the same way as they did in the other lift, and thus go on until they exhaust all the veins. When they get through with all the veins the work is all done except the robbing system. They start at the back of the mine and take out the pillars that keep the top up, and as they take them down they get the coal which they were prevented from reaching. As the pillars are taken out the top falls down.

I wanted to say this much about the method of opening a mine so that you could understand better how this man Brennan is to gauge the capacity of a mine. A mine that has these gangways run back and has a great many breasts turned has a larger capacity than where a mine has just started. When robbing commences it decreases the capacity, and as it is a final working of it I presume they will use their judgment as to how many cars they ought to have. Where a pillar is once taken out it leaves the mine destroyed as to that vein.

There are overlying veins. We have sometimes five, six, eight, ten, and more veins. Just in proportion as they work openings, so they have a relative capacity to screen and hold coal in the chutes or pockets from which it is loaded into the cars. All these things, together with the steam-power, is taken into the calculation, and they are compared, one colliery relative to another, and the cars are then allotted to these various collieries according to their capacity.

Mr. STONE. The capacity of output?

Mr. BRUMM. According to the capacity of their output. A collier might be able, if he were permitted to work just as he pleases, and he were given all the cars he wanted, to ship 300 cars a day; but the Reading system says to him, "you shall not ship your 300 cars a day, because if you do so you will ship more than we do. Your capacity must be limited to our capacity and you must get cars in proportion to our capacity," and it is Brennan's business to gauge these capacities.

The CHAIRMAN. What is his business?

Mr. BRUMM. He is known as a mining inspector; but we have State officers under the law that are called mining inspectors. But this man is an inspector employed by the railroad.

The CHAIRMAN. He is an inspector as to the capacity for output, while the State inspector is an inspector relative to the safety of the mine, and so forth?

Mr. BRUMM. That is it.

Mr. STONE. If one company could load 300 cars and another 150 they would allow the former twice as many cars as they would the latter?

Mr. BRUMM. Yes, sir.

Mr. STONE. Supposing, however, that any operator could, working at a full capacity, put out more than the Reading Company, then the company would deal fairly with him in allotting cars?

Mr. BRUMM. Whether they do or not I cannot undertake to say. If they do not want to deal fairly with them there is no way of making them. They employ this man and they make the allotment. They are masters of the situation and give just as many cars as they see fit. In other words, the output of the Reading system is, say, 15,000,000 tons, with a capacity of 30,000,000 tons if worked to its fullest extent. Each colliery would then only be allotted as many cars as half its capacity, that being the percentage of output relatively to the percentage of capacity of the whole Reading system.

Mr. STONE. What proportion of the mining land of the Reading Coal and Iron Company has been developed?

Mr. BRUMM. Not half of it has been developed.

The CHAIRMAN. In which of these three valleys are the most of the Reading coal lands?

Mr. BRUMM. In the Reading system there are quite a number of valleys.

The CHAIRMAN. In which of the coal regions—the Lackawanna, Lehigh, or Schuylkill—do the Reading coal lands lie?

Mr. BRUMM. Almost exclusively in the Schuylkill system.

The CHAIRMAN. Has the Reading Railroad any preference as to which end of its road or on which branch of its road it will ship most coal or least coal? In other words, whether its allotment is impartial and that a coal owner may ship in whatever direction he chooses, or does the railroad company determine that matter for him?

Mr. BRUMM. In my opinion, the Reading Company's will is arbitrary in that whole matter. I am inclined to think, however, that they give individual operators pretty near their share.

The CHAIRMAN. Whether it be in carrying on interstate commerce or commerce within the State, you think it is impartial?

Mr. BRUMM. I do not know anything to the contrary. That is all I wish to say about that.

The CHAIRMAN. How many States does that system of roads run into?

Mr. BRUMM. It is the lessor of the Jersey Central Railroad and the North Pennsylvania, and reaches New York by them. It runs to Elizabethport and Hoboken Ferry, I think. Then it has colliers, as we call them. They are steam-boats that the company load at Port Richmond and deliver coal all along the coast—to Boston, Portland, Me., and numerous other places.

The CHAIRMAN. Has not the road control of roads to Buffalo and all along the Lakes?

Mr. BRUMM. The Reading Company has absolute control as far as Williamsburgh, Pa., the lumber region, and I think controls the system as far up as Buffalo.

Mr. ANDERSON. By a 999 year contract?

Mr. BRUMM. I do not know about that.

The CHAIRMAN. And the Reading Company exercises the same supreme dictatorial control, whether it be interstate commerce or commerce within the State?

Mr. BRUMM. I think there is no difference in that. In whatever it does, I do not know whether it inquires as to whether it is "in" or "interstate."

Mr. PARKER. You represent that district. How long have you lived there?

Mr. BRUMM. I was born there in 1838, and with the exception of one year that I was at college, one year at Philadelphia, and very near four years that I was in the Army, I have lived there ever since.

Mr. PARKER. And you have become familiar with the methods of doing business there.

Mr. BRUMM. I think I have.

Mr. PARKER. From what you have learned is it the purpose and object, in the mining of the coal and in the shipping it, from the time work is commenced, that a considerable portion of it shall be taken to and consumed at points outside of the State?

Mr. BRUMM. I do not know what the object is just at any particular point.

Mr. PARKER. I want to see whether the purpose of the work is interstate.

Mr. BRUMM. The purpose of the work is to mine coal and to make as much money out of it as possible, either state or interstate.

Mr. PARKER. And that the company sell more or less of it wherever they can get the best price, including points outside of the State?

Mr. BRUMM. Certainly. I may say that the Reading Company has an agent in New York, Boston, and the different consuming points.

The CHAIRMAN. If I understand you correctly this Reading Company has shipping facilities with the Atlantic coast, with the Lakes and with the Gulf?

Mr. BRUMM. I do not say with the Gulf.

The CHAIRMAN. With the Ohio and Mississippi?

Mr. BRUMM. I do not say with the Ohio and Mississippi Rivers.

The CHAIRMAN. Has it any railroad connection with the Ohio River?

Mr. BRUMM. Not that I know of except by a combination of systems as all trunk lines have. I know that it has connection with trunk lines, trains from which out West and from Chicago come over its system.

The CHAIRMAN. As a member of a syndicate?

Mr. BRUMM. I do not know that.

The CHAIRMAN. But you know that it has some sort of combination?

Mr. BRUMM. I will not say that. I know that it ships coal wherever anthracite coal goes.

Mr. CHIPMAN. You do not know the direction in which that is done?

Mr. BRUMM. I do not know how it does it. The road ships to New York on its own line, and on its colliers it ships to any sea-ports on the Atlantic; and I know that it owns these colliers. They are steamboats. They are open hopper coal boats. They transport nothing but coal outward, and I do not know whether they bring anything in returning or not.

The CHAIRMAN. You are certain that this Reading system has shipping facilities with the lakes as well as the coasts?

Mr. BRUMM. It has shipping facilities with the lakes, but whether it has absolute control of the roads beyond Williamsburgh I am not sure; but I think it controls them absolutely as far as Buffalo, or out that way. I think you will find that the carrying companies control the mining in the whole anthracite region.

The CHAIRMAN. Is the Pennsylvania road included in that?

Mr. BRUMM. I do not think that the Pennsylvania Railroad Company is in the allotment. If it is it has come into it recently. It is a kind of free lance. It would not go into it. I can only say that as far as I know the Pennsylvania is not in this allotment system, but all the other corporations in the anthracite region are in the allotment system, and that they allot to themselves a certain percentage of all the coal that is shipped. The same system or a similar system prevails in the Lehigh and Lackawanna regions which prevails in the Schuylkill region. Hence, if there is a strike in one section of the anthracite region, the other region derives a very great deal of benefit from it, for the simple reason that in the section that is not on strike they ship up to the full extent of the allotment, and when they have done that they are not permitted to ship more. If they did so they would be breaking their agreement and the syndicate would fall. Hence, my opinion is that this whole striking business, or lockout, as we call it, is fostered not only by the Reading Company, but that all these corporations are as deep in the mud as the Reading Company is in the mire. There is this combination and they can not afford to break it and make a helter-skelter rush into the market, as that would bring the price of the coal down.

The CHAIRMAN. Does the railroad company, in order to get labor cheaper, employ more miners than it would if it were to give steady employment the year through, so that they lock them out when it suits them; when they have put out their allotment in the different mines?

Mr. BRUMM. I do not know that they employ more men than they absolutely need; it is not necessary for them to do that.

The CHAIRMAN. Why is it necessary that they should have a lockout?

Mr. CHIPMAN. I suppose Mr. Tillman has this idea in view: Have they large numbers of men employed for only parts of the day?

Mr. BRUMM. Yes, sir. It would not do for them to have less men than they employ, because if they work they have got to run their machinery at any rate. There are certain fixed charges, and they have got to do what is called the "dead work"; so that when they work, they must work full-handed, or lose money. And, therefore, when, by working full-handed, they mine more coal than their allotment amounts to, they prevent them by ordering lockouts. This they have been doing ever since 1875, periodically. They have issued their orders, time and again, that from a certain day a man will only be permitted to work, say, three days a week; at other times, only so many hours a day; at other times, only be allowed to work so many weeks a month, or so many months in the year. This has been going on ever since the long strike.

The CHAIRMAN. What has been the practical effect of these lockouts and strikes on the moral condition of the men in the anthracite section generally?

Mr. BRUMM. The effect there is just what it is anywhere else—demoralizing.

In my judgment if the anthracite coal miners or operators and the anthracite system of mining were not connected with the carrying system, they could put a higher price on coal and a lower price on toll, and in that way pay the men higher wages and still reduce the toll so much as to enable them to reduce the price of coal and make a fair profit.

The CHAIRMAN. By "toll" do you mean tribute to the mine owner?

Mr. BRUMM. That we call "royalty;" by toll we mean the railroad freights.

Let me illustrate. In the Lehigh Valley region the wages are fixed at what are called the five-dollar basis, which means that miners shall get a certain sum of money per week, per day, per hour, or per car whenever coal sells at $5 at Elizabethport, the New York shipping point. That is, that the laborers outside or inside shall get a certain rate of wages. This rate at Elizabethport is the price of the coal, including the cost of mining and the freight; showing that the freight is an element that is calculated in fixing the price, and that it ought to be separate and distinct, and have nothing to do with what freights are to Elizabethport.

In the Schuylkill region the basis is $2.50. A great many do not understand why it should be $5 in one region and $2.50 in another. It is simply because the price is regulated by the scale at tide water or by the scales at Schuylkill Haven or Port Carbon.

Mr. Gowen, ex-president of the Reading system, at one time regulated the price of wages by the tolls, not by the price of coal at Schuylkill Haven; hence, when Mr. Corbin tells you that the present price of coal will not warrant the payment of higher wages, it is because they regulate the price of coal at the shipping point, and if it is losing at that point they can make up that loss by enhancing or raising the price of the toll. For instance, in Schuylkill County there are millions of dollars invested in coal lands by the Reading Company. There are millions invested in most powerful engines, heavy steam power, large pumps to keep the water out, heavy blowers and fans to draw the foul air out, also shafts and gangways running thousands and thousands of yards and miles underground—tunnels, as you would call them. The miner goes in there and mines his coal. It is put in the cars miles underground in many instances. When it gets to the surface it is dumped into rollers that crush the coal, run into screens that separate it, and the slate is picked out. Then it is run into the chutes and pockets. From there it is loaded into the cars, and the average price is $2 a ton loaded in the cars. It is shipped from that point to Philadelphia, about 100 miles, and there the price of coal is $4.

The CHAIRMAN. Shipped by water or by rail?

Mr. BRUMM. Either way, because they own the canal as well as the railroad. I cite this to show how small a price they put on coal and how large a price they put on freights. In a lawsuit between certain stockholders and bondholders of the Schuylkill Navigation and Canal Company, which was absorbed by the railroad, to recover interest brought by them against the railroad company, this fact was developed. They were justifying an abandonment of a portion of the canal, or the whole of it, and they did abandon it down to a point known as Port Clinton. In justification of that they themselves showed that while it cost only 15 cents a ton to ship coal from Schuylkill Haven to Philadelphia by rail, it cost, I think, at least twice as much as that to ship it by canal; and yet if the cost is only 15 cents, what is it that justifies a charge of $1.85 to ship it, and that when they ship it by the million tons?

Mr. ANDERSON. How many miles?

Mr. BRUMM. Eighty-nine miles from Schuylkill Haven; from Cressona it would be 91 miles.

The CHAIRMAN. Please tell us whether this Reading Company, when it would have a lockout of these miners because they would not agree to the terms of the company, imported Hungarians or Italians or laborers from abroad or from other States to take the places of those locked out?

Mr. CHIPMAN. I do not understand you to say, Mr. Brumm, that it was done because the miners would not agree to their terms, but because there was an overproduction by reason of this system of allotment.

Mr. BRUMM. In my judgment that is the real idea. I think that is the primary cause. If it were not for that the companies could not be absolute masters of the situation as they have been for years. My position is that if they would reduce their tolls to a reasonable rate they could sell at a lower price, that the anthracite coal would be a better competitor of the bituminous coal, and the consumption would be increased. Their plan seems to be to keep up the price of anthracite coal, and the bituminous coal keeps it out of market.

Mr. CHIPMAN. For economic reasons the operators are obliged to keep full hands at work.

Mr. BRUMM. They must do that whenever they do work. It would not do for them to work without they were full-handed, because they have their machinery to run, and their breaker is kept running. They are obliged to have a lot of boys picking out the slate and to have their engineers and all their bosses there, and it pays them better to work with a full force.

The CHAIRMAN. Do I understand you to say that these troubles have not been from strikes on the part of the men, but from lockouts on the part of the company?

Mr. BRUMM. My recollection is that there have been no strikes since that of 1875, except in some small locality. There has been no general strike for nine years.

The CHAIRMAN. Why are so many Italians and Hungarians brought in there?

Mr. BRUMM. There are very few Italians there, and not so many Hungarians, but quite a number of Poles. From my own knowledge, I could not say whether these Poles did not come in of their own volition. I do not know of their coming in under the influence of the Reading Company. I have heard it rumored that the Lehigh Valley and other systems have brought them on.

Mr. CHIPMAN. How could they import foreign contract labor?

Mr. BRUMM. If they were brought, it was before the act prohibiting importation of contract labor was passed. I do not know myself whether they were brought, and I do not think that they were brought by the Reading Company—that is the system that I know most about.

The CHAIRMAN. When did the present lockout commence and why? And also tell us, as near as you can, the extent of it at this time.

Mr. BRUMM. The miners have had organizations almost ever since the war. They had a very formidable one known as the W. B. A., or Workmen's Benevolent Association. When that was in existence there were a great many individual operators. It was before this absorption had gone on. This absorption was forced by the corporation, and they drove a great many of the single operators out.

Mr. CHIPMAN. Do you mean railroad or mining corporations?

Mr. BRUMM. When I say corporations I say so as including all. It is one and the same thing although under different characters.

The CHAIRMAN. The syndicate has driven and crushed out the individual operators?

Mr. BRUMM. They crushed a great many individuals, and by lowering the price of coal and raising the price of freight they forced individuals out. That is a matter as plain as twice one is two. The W. B. A. had succeeded in getting this basis established: That wages should be regulated and a certain price shall be paid when coal is $2.50 a ton at Schuylkill Haven. Should coal rise the wages were to rise 1 cent to every 3 cents in coal, but never to be lower than $2.50. They worked along under that system for some time, until what is known as the long strike, in which the men were beaten. From that time the men complained that while this $2.50 basis was ostensibly in existence, yet it has been violated time after time by these coal companies. For instance, when there was an advance in price to the consumer they would raise their tolls, putting the advanced price on the tolls and keeping the price at Schuylkill Haven down, and although bringing a higher price in the market the miners were not getting the benefit of the advance, and that simply because the amount of the increase was added to the freights.

The CHAIRMAN. The common carrier pocketed it.

Mr. BRUMM. These corporations utilized it. That is the complaint of the men, and there have been various ways in which it has been done. For instance, they complain that when the basis was agreed upon, certain sizes of coal were to be taken into the calculation. Larger sizes are generally higher than the very small sizes. After they had crushed their organization they included the smaller sizes, and in that way lowered the average price of coal; and always kept it at the basis or even below the basis. When at certain periods coal did fall below the basis they took off a certain part of the wages. If it was three cents less than $2.50 they would take off one per cent., and they have reduced [illegible] a large per cent. The men complain that they have been practically cheated out of their dues, because they had no organization and could not demand their rights. The fact that there is a basis yet, and that these companies utilized the idea of a basis, is obvious from this: That every month, or every three months, they would publish in the Miners' Journal and other papers the price that was received for coal shipped from certain collieries, which they would draw by lot, as they had done heretofore, that the price that these collieries got for coal was to be the price from which the calculation was made. When the W. B. A. was in existence the men were parties to the drawing of the lots. When it was broken up there was nobody on the part of the men. The men claim that they put a smaller price upon the coal and lowered the average. When the miners, during prosperous periods, began to organize again, and they are pretty well organized now, they demanded an advance. In the first place they demanded the positive establishment of this basis again, and an advance of 15 per cent. on the $2.50 basis.

The CHAIRMAN. When was that demand made?

Mr. BRUMM. Some time before last September. The Lehigh system refused to negotiate with the men at all. The result was that the Lehigh men would not work. The Schuylkill system did negotiate and it compromised with the men at an 8 per cent. advance, which the operators agreed to. There is one party (I forget his name, but I think you have got him on that list of operators) who owns a colliery in the Lehigh region and another in the Schuylkill region. In the Schuylkill region he has acceded to the demand of the men; in the Lehigh he did not, because the Lehigh system said they would not pay it; so that here we have an owner of two collieries in the two different systems, and where they agree that the advance shall be paid he pays it, and under the system where they agree that it shall not be paid he does not pay it. I mention it to show it is a combination, and I think it is in the city of New York.

Mr. PARKER. And that it is arbitrary?

Mr. BRUMM. Yes.

The CHAIRMAN. The city of New York has a syndicate?

Mr. BRUMM. I think the great power concentrates there.

The Schuylkill men agreed with Mr. Corbin that they would go to work at this 8 per cent. advance, but Mr. Corbin and Mr. Whiting said: "Gentlemen, we can only agree for four months, that is, up to the 1st of January, because on the 4th of January our company goes out of the hands of the receivers."

Mr. ANDERSON. Mr. Whiting was one of the receivers?

Mr. BRUMM. No; Mr. Corbin was.

The CHAIRMAN. What position has Mr. Whiting?

Mr. BRUMM. He is manager of the Reading Coal and Iron Company.

The CHAIRMAN. Has nothing to do with the railroad at all?

Mr. BRUMM. Not in an official capacity. They drew up a memorandum of agreement, in which the company were to do certain things; but after the 1st of January the men were not to be paid this unless others were paying it; and the Lehigh Valley men had not gone to work.

The CHAIRMAN. The Lehigh has not gone to work in consequence of the men not receiving the amount of their demand?

Mr. BRUMM. The Lehigh operators would not negotiate at all. They would not even consider the proposition.

The CHAIRMAN. And the men struck?

Mr. BRUMM. So that the men struck.

The CHAIRMAN. And the Lehigh Valley trouble is a strike and not a lockout.

Mr. BRUMM. I do not think so. If you knock me down and draw a pistol on me and I kill you, that is not murder on my part. It is a matter of self-defense, and I think that they were forced into this very matter by the corporations. It was a refusal to do what was just and proper they should do. For eight or nine years they had been carrying out this basic system, while the men were not organized, and they were the sole arbiters of what they should do. The men demanded to be consulted upon that as they had been, and the companies say: "Gentlemen, we will not treat with you at all."

The CHAIRMAN. What was done with the Schuylkill men when the first of January came?

Mr. BRUMM. When the first of January came and Mr. Corbin understood that the men would not go to work, he issued a circular in which he told the men to go to work and he was willing to adjust matters afterward; but the men thought that they had a right to know what they were going to get before they went to work; and he said, "Get to work on the $2.50 basis, this 8 per cent. is off." Coal on the first of January was much higher than on the first of September, when he agreed to pay the 8 per cent. advance, so that there was no reason, so far as the market was concerned, why he could not pay it from the first of January as well as from the first of September. There is another point I want to state, and that is this, that in his return he shows he mined coal for 10 cents a ton less while paying advanced wages than before he paid the advanced wages. There are certain fixed charges, and these fixed charges and expenditures run right on at any rate—keeping water and fire out of the mines, and keeping them ventilated. So that when work is carried on steadily and to full capacity these fixed charges are divided up in the general aggregate, and the cost of mining, for instance, 2,000,000 tons of coal would be proportionately less per ton than mining 1,000,000 tons of coal. When the strike of the Lehigh started, work in the other mines went up to full capacity. The operators employed hands (many of the strikers from the Lehigh region) and shipped to full capacity, and the price per ton, by reason of that, was run much higher than it was before at the low rates. I only mention this in order to answer Mr. Corbin's idea that he can not put up the wages and to show that he can mine cheaper and sell cheaper.

The CHAIRMAN. Where does the Pennsylvania Company work most of its mines?

Mr. BRUMM. The Pennsylvania Railroad Company do not work much more coal than they use themselves.

The CHAIRMAN. When Mr. Corbin ordered the men to go to work on the first of January they refused?

Mr. BRUMM. They refused. They thought that they were not maintaining good faith with their brother miners of the Lehigh region; they had assisted them financially, and they thought that to have gone to work under the reduced price would have been inconsistent.

The CHAIRMAN. In the mean time how are matters going on in the Lackawanna region?

Mr. BRUMM. There was no trouble at all except that the miners have demanded 15 per cent. advance and want an answer the 16th of this month.

Mr. PARKER. What rate have they received there?

Mr. BRUMM. I do not know about that. I have been told by some party, I think by Mr. Johnson. In the Lackawanna region they have a different system of mining, and you will have a little trouble in getting at the rate of wages. They have a contract system of working there. One of the miners agrees to work a certain number of breasts, and he stipulates with the operators for the pay under this contract; and in that way you may have some difficulty in deciding whether there is more or less paid in the various regions, and in that way in the Wyoming region perhaps 25 per cent. get very good wages and 75 per cent. get less than the average wages in the Schuylkill region.

Mr. PARKER. Do these three systems comprise most of the anthracite coal?

Mr. BRUMM. They comprise it all. I say they control all the pure anthracite coal in the world.

The CHAIRMAN. Which one of these systems, the Lehigh, Schuylkill, or Lackawanna, has the largest area?

Mr. BRUMM. The Lackawanna region turns out by far the most coal; the Schuylkill much more than the Lehigh. The Lehigh is the smallest of the three, and it was there that the strike was made.

The CHAIRMAN. Can you give us something like the general proportion?

Mr. BRUMM. The Schuylkill, I think, has over 30 per cent., the Lehigh about 8, and the Lackawanna the rest. I do not know about the ratio of their development.

The CHAIRMAN. The Lackawanna is better developed, possibly, than the Schuylkill?

Mr. BRUMM. It is better developed. They can calculate what there is in that, but in ours they can not.

The CHAIRMAN. When the men refused to work on the first of January, I suppose the company would make no concessions and has been getting other labor since.

Mr. BRUMM. They have succeeded very poorly in getting other laborers. There are some collieries working, but they are individual collieries; and, in my judgment, this proves that Mr. Corbin could pay this advanced wages, because they are paying more than was demanded of the Reading Company.

The CHAIRMAN. Have any of the railroad companies' employés struck, along with the miners?

Mr. BRUMM. Mr. Corbin has been assuming, or it has been assumed, at least by the press generally, that the miners are combining their grievance with that of the railroad men. I say, authoritatively, that they are not. This I say positively; and I went to see Mr. Whiting himself about it. I went to a select committee of miners and said: "You men are separate from this railroad-system fight. Do your own fighting yourselves, and ask Mr. Corbin and Mr. Whiting whether they will negotiate with you separate and distinct from the railroaders." The men contended that they were willing to do that, anyway; but that the railroad system said there was nothing to arbitrate. They were willing to arbitrate their differences, separate and apart from the railroad men, but Mr. Whiting said there was nothing to arbitrate. I said to him, "Did you ever know of any agreement these men entered into that they did not carry out?" I do not know that he gave me an answer to that, directly. The men say that they would be willing to arbitrate with them, separate and apart from the railroad men, and the idea that they struck because the railroad men were on a strike is not correct. If these railroad men had not struck the miners would have been compelled to go to work at the reduction or quit work, because the Lehigh miners had not gone to work. Now as to the Reading Railroad strike, it has been conceded generally that the railroad men were wrong in striking.

The CHAIRMAN. Who concedes that?

Mr BRUMM. I will concede it, for one.

The CHAIRMAN. Do the men concede it themselves?

Mr. BRUMM. No; but it has been conceded by public opinion that the railroad men should not have struck.

Mr. PARKER. When did they strike?

Mr. BRUMM. On the 22d of December.

Mr. PARKER. What class of men struck?

Mr. BRUMM. Engineers, conductors, and trainmen, and nearly all connected with the freight department of the system, but not in the passenger service. They were allowed to carry their freight and perishable articles.

Mr. PARKER. It was not confined to the coal freight?

Mr. BRUMM. I really do not know that.

The CHAIRMAN. It is very important to know whether the strikers on the railroad were concerned in the transportation of coal principally.

Mr. BRUMM. They were concerned principally in the transportation of coal.

The CHAIRMAN. Can you give us any idea of the number of railroad strikers?

Mr. BRUMM. No. It has been estimated at figures that are very high. The strikers claim that they represent 82,000 people.

The CHAIRMAN. Railroad strikers?

Mr. BRUMM. Oh, no; railroad strikers, miners, and laborers.

The CHAIRMAN. That is, in the Schuylkill system, the Reading system?

Mr. BRUMM. It means the Schuylkill, the Lehigh, and the Reading system; that is, the mining and transporting, both.

The CHAIRMAN. When did the Lehigh strike occur?

Mr. BRUMM. That was some time about September.

Mr. PARKER. Does that involve a railroad strike also?

Mr. BRUMM. No.

The CHAIRMAN. Simply coal?

Mr. BRUMM. Simply coal, as I understand.

The CHAIRMAN. What railroad system transports for the Lehigh system of mines?

Mr. BRUMM. It is the Lehigh Navigation Company, as it is called. It is not a railroad company; but the canal has been abandoned, or very nearly all of it.

The CHAIRMAN. Can you approximate the relative numbers in the Lehigh strike and the Reading and Schuylkill strike?

Mr. BRUMM. No; I cannot.

The CHAIRMAN. You just give the aggregate that they claim—80,000 men.

Mr. BRUMM. I prefer not giving an opinion upon that. I cannot give you an idea, and I prefer not.

Mr. PARKER. Has the Lackawanna any strike on its railroad or coal mines?

Mr. BRUMM. Not that I know of. I was going to state something about the railroad strike. It has been alleged in the newspapers that the railroad strike was caused by reason of Eckley B. Coxe having a barge there at Elizabethport. He is one of the Lehigh Valley operators and one of the leading men in refusing to do anything like justice to the miners. He had a barge that he wanted loaded. The Reading Company had a lot of its own barges there and they hauled their barges away and gave this Coxe barge the preference, and the men asked why they wanted to load that barge with scab coal—coal that was to be shipped to make up some deficiency. Scab coal would really be coal that was mined by men that were not on the strike. It was coal that

Eckley B. Coxe wanted to load this barge with to supply some contracts that he had to fill, and they were using this Reading coal for that purpose. The men thought that the Reading Company was coming to the relief of the Lehigh pool and they refused to load this barge. At another point, at Philadelphia, there was some man by the name of Taylor whose goods they refused to load, and I think five crews were discharged. Then the railroad men went on a strike.

The leaders for some reason or other must have concluded that they did wrong, or else that it would not be policy tostand out under that arrangement, and went to Mr. Sweigard, superintendent, and Mr. McLeod, of the Reading Railroad system. They told Mr. Sweigard they wanted to go to work. Mr. Sweigard said: "Well, I will never take back these men that we have discharged." The men said: "All right; discharge them if we agree to work, and take back all the others." Mr. Sweigard said: "No; there are two other men we want to discharge." The men said to him: "Discharge them"; and they then agreed that they should go to work. The men contend that they sent telegrams ordering the men to go to work; that the strike was declared off. This, of course, I have got from the men. At a number of the offices they refused to receive the dispatches or send them, although the men were to pay for them. In one or two instances, at least, the dispatches are claimed to have been withheld for such a length of time that the men did not get the order to go to work, and the fact that they did not go to work was taken advantage of by Mr. Sweigard so as not to allow the men to go to work under the agreement that he himself had made. When the committee waited on Mr. Sweigard to see why this was done, he laughed at them, abused them, cursed them, and said that they were cowards; that they knew he had outgeneraled them, and that they had not the manliness to make a square fight. Now, that is their assertion. If that is true, as I have stated it, and as the men declare, then if the men were wrong in the first instance, the company is wrong in the last.

The CHAIRMAN. Where has there been the most rioting and interference with the men at work?

Mr. BRUMM. That has only been at one place, and it has been very much exaggerated. It was at Shenandoah, and that is in my own county.

The telegraph company there used to be called the Philadelphia and Reading Telegraph; that ran all through the Reading system in all the little towns, and the Western Union put up their wires, and there was a fight between the two lines, and they cut rates. There is now an arrangement by which the Reading system has absorbed the Western Union or the Western Union has absorbed it. I do not know that the Western Union has absorbed it except to this extent, it goes by the name of the Western Union Telegraph Company; but the Reading have certain privileges there in sending their messages and in regulating certain matters.

The CHAIRMAN. Are there two sets of operators?

Mr. BRUMM. No; the Western Union officers generally have been discharged; and that is the reason why I say that the Reading Company have secured control. There is an absorption there somewhere.

The CHAIRMAN. There is only one set of operators?

Mr. BRUMM. There is only one set of operators, and they are generally Reading operators. I buy my mileage book at the telegraph office. If the Western Union had entirely absorbed the Reading, they would hardly sell tickets. Whatever that arrangement is I do not know, but you gentlemen can find it, and I think it would be a good subject to investigate.

Mr. Anderson. I understand Mr. Brumm to say that under the allotment system the output of coal is regulated. I understand also that to be the case in the Lehigh and Lackawanna regions as well as that of Schuylkill. Now, for many weeks the Reading Company have not been operating. Naturally that necessitates a loss instead of the profit which they would have made if their men had been working. My question is whether there is probably or possibly a combination between all of these regions under a certain pool or under a tacit understanding by which the Reading is receiving common funds for not mining its coal?

Mr. Brumm. That I do not know.

Mr. Chipman. You think there is a "combine?"

Mr. Brumm. I think there is. The combine is to regulate the output of coal, and each having its allotment, the miners claim that when they endeavor to secure what is their due in one section the others will come to the relief of the operators in every way that they possibly can, so as to keep the relative allotment intact and not have one ship more than their quota, and if they do ship more than their quota, that it must be only by the will and consent of all parties. My opinion is that the Reading Company, having by reason of the lockout in the Lehigh Valley shipped more coal than it would have shipped had that lockout not occurred, has got near if not entirely its quota. Having shipped its quota it would prefer stopping work altogether, if by stopping work it could withdraw resources from the strikers in the Lehigh region by not having their own men work, and in that way force the Lehigh men to go to work and work out their quota; and when the Lackawanna want to stop they can have their lockout.

The Chairman. Is the Lehigh Navigation Company an interstate commerce system?

Mr. Brumm. The Lehigh system ships its coal by the Jersey Central, I think. It has connection clean up to Buffalo and I think to Niagara Falls.

The Chairman. And the Lackawanna is also a carrier of interstate commerce?

Mr. Brumm. I ought to say that I believe the Lackawanna is almost entirely a New York company and does almost all its business in New York.

Mr. Stone. Where does the Reading Railroad begin and where does it end?

Mr. Brumm. The Reading system began at Philadelphia and ended at Reading. That is a distance of 62 miles; then it was extended to Pottsville. That made it 97 miles in length. Then it kept branching out just like a devil-fish throughout that whole region, and began absorbing other corporations. They have absorbed the Mine Hill Company, the Lebanon Valley Railroad running on to Harrisburg, the Schuylkill and Susquehanna Company, striking the Susquehanna above Harrisburg, the East Pennsylvania Railroad, running out to Easton, the Little Schuylkill Railroad Company, the Catawissa and Williamsport, the Jersey Central Railway Company, running to New York and ramifying all over the Upper Lehigh region; the Schuylkill Navigation Company, and a number of others that I can not remember.

Mr. Stone. All these lines are corporations in what is called the Reading system?

Mr. BRUMM. Yes. Of course it goes beyond the coal-fields. It also goes into the lumber and iron-ore regions.

Mr. STONE. That is all in Pennsylvania?

Mr. BRUMM. Yes, sir.

Mr. STONE. Is there any part of the Reading system of railroads that extends beyond the limits of Pennsylvania, except the New Jersey Central?

Mr. BRUMM. I think there is; but I am not sure. I think they extend westward outside of the State; that is, their leased lines. I am sure it runs to Williamsburgh. The Wilmington road starts at Reading and runs down to Wilmington, in Delaware.

The CHAIRMAN. They undoubtedly have arrangements with other lines which would bring them within interstate commerce?

Mr. BRUMM. Oh, yes. My impression is that they are connected with the Erie system—the Vanderbilt system.

Mr. STONE. Is there any other road except the New Jersey Central and this Delaware road comprising a part of the Reading system of railroads that goes beyond the limits of the State, to your knowledge?

Mr. BRUMM. Not that they have exclusive control over that I know of. They have colliers in which they ship coal from Port Richmond, Philadelphia, on the Delaware River, down the Delaware and out upon the Atlantic coast.

Mr. STONE. What is the name of that canal?

Mr. BRUMM. The Schuylkill Canal.

Mr. STONE. Where does that canal begin?

Mr. BRUMM. Its headwaters were at what is named Troubling Run. There are two dams for it above Pottsville, and one branch a couple of miles to the left of that, at Port Carbon, and from there down to Philadelphia and the Delaware River.

Mr. STONE. Do they, through this canal and the river, transport coal out to tide-water and along the coast?

Mr. BRUMM. I think they do.

Mr. STONE. By barges?

Mr. BRUMM. By canal-boats, and they own their own boats.

Mr. STONE. Do you understand that to be part and parcel of the Reading Railroad system and under the same management?

Mr. BRUMM. Yes; under the same management; by a lease for nine hundred and ninety-nine years, I think.

Mr. STONE. Do you know, or have you any such information, as to any facts that would develop the traffic arrangement of the Reading system with other systems?

Mr. BRUMM. Not positively. We are under the impression generally that it has arrangements with the Vanderbilt system westward, and with the Baltimore and Ohio southward and westward. These are the two great systems that we are under the impression they have arrangements with.

Mr. STONE. You speak of the Lackawanna, Schuylkill, and Lehigh regions. The Schuylkill region is the one worked by the Reading Coal Company and the Reading Railroad Company transports the coal from that region?

Mr. BRUMM. Yes, sir. There is not a pound of coal that is mined on the line of the Reading road that does not come over the Reading Railroad. The individual operators who are on their line are compelled to ship their coal on that road. They have sidings to their mines.

Mr. STONE. You understand the coal mined in what you denominate the Schuylkill region is shipped out over the Reading system of roads?

Mr. Brumm. Not the whole amount. The Lehigh Valley and the Pennsylvania companies have been running in there. In the Girard and some other mines they can be taken out by the other roads; but it is only where the Reading Coal and Iron Company do not own the land.

Mr. Stone. What railroad company, if any, in the main at least, controls the mining in the Lehigh region?

Mr. Brumm. I would prefer not saying much about the Lehigh region, because you have other men here who can tell you all about it?

Mr. Stone. Can you tell me what railroad company handles the coal?

Mr. Brumm. The Lehigh Coal and Navigation Company.

Mr. Stone. Is that company connected with a system of railroads?

Mr. Brumm. Not that I know of.

Mr. Stone. Do you know whether there is any pooling arrangement?

Mr. Brumm. Not excepting to regulate the output and price of coal.

Mr. Stone. What railroad company handles the coal or the bulk of it that comes from the Lackawanna region?

Mr. Brumm. The Delaware and Lackawanna, the Delaware and Hudson, and some other road, but I do not remember what they call it; I have forgotten the railroad there. The Lehigh road runs up there and they take some of that coal, but I think they have control of the collieries.

Mr. Stone. Does the Reading road go up there?

Mr. Brumm. The Reading road goes up there now. It has branches that run up. The Jersey Central ramifies through that region to some extent. These roads are every day increasing and extending their lines.

Mr. Stone. Do you understand that these railroad companies running through the Lackawanna and Lehigh regions control the output of coal and the coal-mining business in these regions in the same way that the Reading does with the Schuylkill region?

Mr. Brumm. I think so, and have been told so; I believe so, but I do not know it.

Mr. Stone. Is it understood that the railroad companies regulate the output of the coal in all these regions?

Mr. Brumm. Yes, sir; and that they regulate the output and the prices, and the tolls; all that is to be regulated in the trade, excepting always the Pennsylvania. They do not mine much now.

The committee then adjourned till Saturday morning at 10 o'clock.

Washington, D. C., *Saturday, February* 11.

The committee met to-day in the room of the Committee on Military Affairs and proceeded to take testimony.

TESTIMONY OF JOHN L. LEE.

John L. Lee, sworn and examined.

By Mr. Parker:

Q. What is your name?—A. John L. Lee.

Q. Where do you reside?—A. In Philadelphia.

Q. Were you born in this country?—A. Yes, sir.

Q. You are a citizen of the State of Pennsylvania?—A. Yes, sir.

Q. Are you engaged with or have you been employed by the Philadelphia and Reading Railroad Company?—A. I have been in their employ since 1880.

Q. Until when?—A. Until November, 1886. Then I was suspended, and was re-employed by the company in June, 1887.

Q. Until when?—A. Until this trouble, December 28 or 29, as near as I can recollect. I was not discharged when the strike began. The general superintendent, Mr. Sweigard, sent to me at Pottsville, where I was acting as chairman of the Philadelphia and Reading system of the Knights of Labor.

Q. Since that time have you been employed by the railroad?—A. Not since that time.

Q. Is there a strike existing by the employés of that road?—A. There is a lockout.

Q. Is there a strike?—A. I do not call it a strike; it is a lockout on the part of the general superintendent. When we agreed our men should go to work he refused to let them go to work.

Q. There is a general disturbance of labor upon that road now?—A. Yes, sir.

Q. Large numbers of men having gone out of employment within a few months?—A. Yes, sir.

Q. How many employés are engaged in this strike or lockout on the railroad?—A. I have not the correct figures; but to the best of my knowledge there are between five and six thousand.

Q. When did they stop work?—A. On the 23d of December.

Q. About all at one time?—A. No, sir. The first trouble took place on the 23d of December, if I am correct in the date. Five crews refused to remove some freight at Port Richmond. We had had an agreement drawn up with the general superintendent of the company, and a committee called the general superintendent's attention to the agreement that no employés were to be discharged until the case was investigated. The agreement provided that they are to have a fair and impartial hearing. The general superintendent refused to recognize that agreement and refused to meet the committee and insisted upon the discharge of these men.

Q. Have you documents relating to this affair that you have just stated?—A. We have written documents in regard to the agreement.

Q. Have you them with you?—A. No, sir; I have not.

Q. Who is the general superintendent?—A. General Superintendent I. A. Sweigard.

Q. How many men went out of the employment of the company then?—A. I should judge about six or seven thousand.

Q. Had any stopped work before the general superintendent refused to meet the committee?—A. When the general superintendent refused to meet our committee they immediately dispatched police to Port Richmond. These officers were on the grounds some hour or hour and a half previous to the strike taking place. After the first strike I was sent away to Pottsville to get aid. We met in convention and decided that the action of the general superintendent disregarding his agreement was wrong, and that we would try and settle the difficulty. A committee came from the city of Reading on the 26th of December, and we called upon Mr. Sweigard and told him we wanted to make a settlement. We told him we wanted to abide by the order issued by the general manager, McLeod, on December 24, which stated that all employés who did not report for duty on the morning of the 27th (Tuesday morning) would be dismissed from the service of the company. That afternoon we called upon the general superintendent, and he agreed in the presence of seven men that all the employés who would report for duty in the morning could go to work—would not be discharged. When they reported in the morning he failed to live up to his agreement and discharged our representative men all along the whole line. That gave rise to the second trouble.

Q. What day was that?—A. That was the evening of December 26, 1887.

Q. Where was that interview with Mr. Sweigard held?—A. In the office at Ninth and Green streets, Philadelphia.

Q. Who were present?—A. Myself, John Kelly, Bernard J. Sharkey, Mr. Harman, Mr. Miller, and Mr. Kearns, on the part of the employés.

Q. Who on the part of the railroad?—A. Mr. Benizer, the superintendent of the Germantown and Norristown division, Mr. Wolff, and one or two other gentlemen—I do not know their names—besides Mr. Sweigard.

Q. Were any documents presented at that time by any of the parties?—A. No, sir.

Q. No written memorandum was signed by anybody?—A. When Mr. Sweigard agreed for the men to go back to work in the morning I requested him to put it on paper, and he refused, asking me if I questioned his varacity, and I told him that I did not, but that he had deceived some committee in the past, and they did, and I would like him to put it on paper.

Q. What answer did he make?—A. He refused. Mr. Harman said the same thing to him. Mr. Sweigard said there were five or six men present and he thought that was witness enough.

Q. Was any paper produced and signed during that interview by either party?—A. No, sir.

Q. The movement of the men in going out of employment occurred how soon after that?—A. That occurred on the 27th. Some of them went out on the 28th, some on the 29th, and some more a few days after that.

Q. How did they go out—what thing made them go out?—A. They went out because——

Q. No; not that. They did not go out without some communication from somebody?—A. Assembly No. 7689 went out without any particular order.

Q. Is that a division assembly?—A. It is a local assembly.

Q. Where are the headquarters of that assembly located?—A. In Philadelphia.

Q. What is the membership of that assembly?—A. To the best of my knowledge it runs up between seven and eight hundred, composed principally of main-line men, engineers, firemen, and brakemen.

Q. How long has this assembly existed?—A. I do not know; but somewhere over a year.

Q. Are they Knights of Labor?—A. Yes, sir; they are Knights of Labor.

Q. Are you a member of that assembly?—A. No, sir.

Q. Are you a member of the district to which that assembly belongs?—A. I am chairman of the executive board connected with the Reading Railroad Company, with which that is connected.

Q. And that is in the nature of a district assembly?—A. No, sir; it is an organization organized of Reading Railroad employés [illegible]

Q. Is there a district assembly to which this local [illegible] tached?—A. The district assembly was 184 Knights of Labor, and was connected with the Reading division as Reading Railroad employés.

Q. Were you present at this local assembly at the time it was decided to go out?—A. No, sir.

Q. Do you know that there was such a decision made by the assembly?—A. That is on the second occurrence or on the first?

Q. Either.—A. I was present at the convention when the representatives decided in the convention to sustain the men that were discharged.

Q. Was this local assembly represented at that convention?—A. Yes, sir.

Q. Was any action taken at this convention as to the going out of other men?—A. The convention by resolution decided to insist upon the general superintendent of the railroad company living up to the agreement that he had entered into with the employés.

Q. In case he did not do so, what was to be done?—A. They were to make an effort to protect these men that were discharged.

Q. By striking or going out of employment?—A. Well, yes.

Q. When did the first disturbances which culminated in this strike begin?—A. To the best of my knowledge, on the 23d of December.

Q. State what they were.—A. The first trouble was at Elizabethport, in New Jersey.

Mr. ANDERSON. Is that the terminus where the coal is transferred to boats to go to New York.

The WITNESS. Yes, sir.

Mr. PARKER. What occurred there?

The WITNESS. As I understand it, the men were ordered to load a boat with coal for Eckley B. Coxe, and some of the employés refused to load it, the reason assigned being that it was not one of the company's boats.

Q. What company?—A. The Reading Company; and the men believed that the company was assisting Eckley B. Coxe in filling orders for the purpose of defeating his employés, who had been out on strike since September.

Q. Eckley B. Coxe was a member of what company?—A. Of Coxe Brothers, a company of coal operators in the Lehigh region.

Q. He was connected with the Lehigh region, while the Reading Company is connected with the Schuylkill region?—A. Yes, sir.

Q. How long had the strike been going on in the Lehigh region?—A. That strike had been going on from the 10th of September, or thereabout.

Q. These men were acting under the belief that the Reading Company were assisting Coxe to carry out his contract that he could not carry out with Lehigh coal by reason of the strike?—A. Yes, sir.

Q. And therefore in loading this boat they would help the Lehigh operators as against the men who were striking in their region?—A. That is the impression.

Q. How many men were these? I presume all the men that were employed there that refused to work and load this boat?—A. Yes, sir.

Q. About how many would you judge?—A. I can not say the exact number.

Q. You understand that they refused to load that boat for the managers of the Reading road?—A. That is my impression.

Q. And they quit work at that time?—A. They were discharged.

Q. After their refusal?—A. I believe so.

Q. By whom?—A. By the foreman there—I do not remember his name—the superintendent there for the company.

Q. Is that, so far as you are aware, the first point of any disturbance between the employés and the employers of the Reading Railroad Company?—A. At Elizabethport? Yes; that is the first. We had some trouble previous to that, but that is the first of the trouble bringing about the present trouble.

Q. That is the initial trouble that led to this strike which now exists?—A. No, sir; the men on the main line and at Port Richmond. The first trouble there was the discharge of the five crews at Port Richmond; that is where the strike took place.

Q. What date was that?—A. I believe that was on the 23d of December.

Q. When was this trouble at Elizabethport?—A. I believe that was on the 23d of December, too.

Q. On the same day there was a disturbance at Port Richmond?—A. Yes; that is as I understand it. When these five crews were discharged, a committee had waited on Mr. Sweigard, asking him to arbitrate the question or investigate it, and permit the men to remain at work pending the arbitration, according to his agreement; and that he refused to do, telling them that he would not recognize any agreement. This was before there was a strike. Mr. Sweigard, Mr. McLeod, and Mr. Keim waited on the committee and told them there were fears of trouble at Port Richmond, and requested them to send some police force there, and they did send quite a number there. The men were at work. No strike had taken place till these officers came there. Immediately after the officers came there the men got to talking about it, and stated that Mr. Sweigard had refused the request of these men and refused to arbitrate.

Q. That he had refused to arbitrate about the disturbance at Elizabethport?—A. To arbitrate about the discharge of the five crews at Port Richmond.

Q. I understand you to say that there was some preliminary disturbance in September. Was I right?—A. Yes, sir.

Q. Tell us what that was.—A. Our convention of the Philadelphia and Reading system had met at Shamokin in the latter part of September or early part of October, and I was selected by the chairman of the convention as one of the committee to solicit aid for the Lehigh miners.

Q. What date was that meeting?—A. I disremember the date. I think it was in September. I opened an office in Pottsville, and seeing that there was no prospect of a settlement, I called a joint meeting of Division No. 12 of the Amalgamated Society of the Executive Board of the P. & R. system, and appointed a committee to wait upon Mr. Corbin, the president of the Reading Railroad Company, to get him to use his influence to try and bring about a settlement of the Lehigh difficulties. There was some coal shipped from the Lehigh regions, and the Reading Railroad employés refused to move the cars. Mr. Corbin called the executive board to him and said if the coal was not removed that the company would be violating the law, and he insisted upon its removal. He said that they were common carriers, and it was a violation of the law of the State if they would not move the coal. I told him if such was the case that the men had no desire to do anything that would violate the law; that we would take legal advice, and if it was against the law we would see that the coal was removed immediately. He notified Mr. Sweigard to get that coal moved, and he replied that if the board would consent to remove it it would be all right. We went before the me and stated to them that the company said it was a violation of the law and the men immediately removed the coal upon ascertaining that i was a violation of the law.

Q. Was this coal upon cars or in barges?—A. Upon cars.

Q. How many car-loads or trains?—A. There was a good deal of i at different points.

Q. Was it coal that had been mined in the Lehigh mines?—A. Ye as I understand it, and was called scab coal.

Q. Was it called scab coal to indicate that it was mined by scabs?- A. Yes.

Q. That is, men who were not in an organized system of labor?—A Yes, sir.

Q. You say that this coal was at different points?—A. Yes, sir.

Q. How did it come to be left at different points?—A. Well, it wa where it had been left.

Q. Had it been carried to its billed destination or had it been side tracked by an order of any organization?—A. Not being there with th crews I do not know, but I believe it was side-tracked.

Q. By order of the Knights of Labor?—A. Yes, sir.

Q. Was that action by the men themselves?—A. They got no orde from the executive board to side-track it.

Q. Was it done to help the strikers in the Lehigh mines?—A. I was done to assist those men and show sympathy for those men u there. When I opened the office in Pottsville I called upon the general superintendent and he requested me to go before a convention an tell the men that owing to the strike in the Lehigh region it increase the demand on the Reading Company and they did not have ca enough to supply the trade, and that they loaned cars to some othe companies; and I told him then: "Mr. Sweigard, I would not like to d anything like that, because it appears to me that you men are working fo the Lehigh operators"; and he gave me his assurance that they were no In a couple of weeks after that I came to the office again and told hi that I would go back to work, and he told me to stay where I was. H said: "You are doing more for the Reading Railroad Company in a sisting the Lehigh strikers than twenty-five machinists can do in th shop. This strike is a benefit to the Reading Railroad Company, bu we do not want the public to know it.

Q. Who was present at that time?—A. There was no one present bu Mr. Sweigard and myself. It was a conversation that came about whe I went there on official business.

Q. Where did it occur?—A. In Mr. Sweigard's office, at Fourteent and Walnut.

Q. Was this coal that had been side-tracked then sent on to its de tination?—A. As soon as they found it was a violation of the law the went to moving the coal by order of the convention of Knights of Labo

Q. What else happened in connection with negotiations in Septe ber?—A. Mr. Corbin at that meeting refused to talk to the committe He would only talk to those who were in the service of the company.

Q. When was that?—A. I have the dates upon paper, but have n got them with me. It was some time in October.

Q. Where was this interview?—A. It took place in the Fourth stre office, in the presence of Mr. Corbin, Mr. McLeod, and I think the co pany's solicitor, Mr. Kaercher, and Mr. Keim, together with a represen ative committee from the Knights' board. After we had decided t move the coal we asked Mr. Corbin if he would exert his influence to tr and bring about a settlement between the Lehigh operators and the men. He told us he did not see why the Lehigh operators would not settle that: it was a question of 8 per cent. He was paying 8 per cent., and they could afford to pay it; that he as a business man wanted to make money, and he wanted to make that money out of the public. He would like to pay the men high wages if the company would lose nothing by it, because when coal would advance the men would get better pay and the public would have to foot the expense.

Mr. McLeod thought of making an advance on coal. He suggested that, and stated he thought it best for the men to make hay while the sun shone, and I said that I did not think that was right. There was no use giving the men an advance of wages, because the price of coal would go down in a month or so, and the men would not like to have their wages reduced again, and it was better to let it go on regular. According to the agreement between the miners and the company under the 3 per cent. sliding scale, or 33 per cent. on every dollar, the men would get a corresponding advance if the price went up, and the committee thought it advisable to do that. We called then to see Mr. Sweigard (myself, if I remember correctly, and Mr. Sharkey). Mr. Sweigard told us that in a few days he would see Mr. Corbin personally, and then in a few days he would let me know what would be done. Mr. Corbin did not want to be known as a party, to the public. He advised that some committee should wait upon Mr. G. W. Childs and other representative men of Philadelphia, and while he would not be known in it he would do what he could for these men. A committee waited on Mr. Childs, Mr. Singerly, and Mr. McClure. In eight or ten days after that Mr. Corbin sent for the president of the convention, Mr. Sharkey, and told him that he believed a settlement could be effected, as he was working with Mr. Maxwell, who was receiver of the Jersey Central road, and had prepared some figures, and there was no doubt that Mr. Harris would agree by the first of the year and the works would go on. Mr. Harris was the president of the Lehigh Coal [illegible]. Mr. Bernard J. Sharkey was president of the Philadelphia and Reading Labor convention.

I sent a telegram to Mr. Sweigard on December 26 requesting him to meet a committee to comply with the general order issued by the general manager that all men who began work on the 27th will not be discharged. When we went in he refused to meet us at first. Taking the order in his hand he said: "I will meet you, but the order can go and be d——d." He said: "Your committee would not come and see me until you knew you were whipped. I have out-generaled you. Had I the backing at my back that you people have, I could come into this fight and win; but the Knights of Labor, their leaders have no brains. They are [illegible] d cowards and they are afraid to fight." On that Mr. Sharkey [illegible], and he called Sharkey a liar and a d— —d liar; said the truth was not in him. I said: "Mr. Sweigard, we did not come here to fight, we came here to make peace; we came here to try to prevent this strike from going any further. Now, what are your terms, or what do you want?" "Well," he says, "I want those five crews discharged, never to work for *me* in this company. I further want to discharge Ambrose [illegible], master workman of 6258, and discharge Bernard Sharkey. They shall never work a day for this company." Well, I told him that was pretty hard, but that, at the same time, I thought we could manage to support those men; it was better to have that many discharged than to have trouble along the whole road. Then I said: "Is there anything else that you want?" He said that would do. Then he shook hands with me and said: "If you will be advised by me now, you will declare this strike off, and whatever side issues there may be, if your committee comes to me in a few days, we can fix things all up." I agreed to declare that strike off, and did so. I went down to the Philadelphia Ledger office after 2 o'clock in the morning and to the Press office and notified the public that the strike was off and that no man would be discharged who reported for work in the morning.

Q. On what date was this interview?—A. On the evening of the 26th. On the 27th when the men reported to go to work they were refused.

Q. What other railroad men were present at this time?—A. There was myself, Mr. Benizer, Mr. Sweigard, Mr. Wolff, his clerk, and there was one other officer of the company whose name I do not know.

Q. Did they hear this conversation that you have now detailed?—A. They certainly did.

Q. What was it that Sharkey said before Sweigard called him a liar?—A. It all was about a committee that went down to see him, as near as I can recollect, about the discharged crews, when Mr. Sweigard called him a liar and told him that when Sharkey came before him he would profess friendship, and when he went behind his back he fought him, and that is how he came to say the truth was not in him and called him a liar.

I returned to Port Richmond and we talked the matter over in committee and I advised the sending of telegrams along the line of road notifying the men that the trouble was settled. This was at a late hour of the night of the 26th or early in the morning of the 27th. I authorized the committee to send telegrams to all points along the line, notifying the representative men that I had declared the strike off and they should go to work in the morning. I sent a telegram to Elizabethport myself. That telegram, I believe, reached its destination.

Q. About what time did you send that?—A. About half past 1 or 2 o'clock in the morning. Now, the telegram that went to Pottsville, as I understand it, from the parties there, they did not receive it for about twenty-six or twenty-seven hours after it was sent.

I called in the office of Mr. Sweigard and told him that the men were very dissatisfied at the way he had acted, after agreeing that they should not be discharged. I told him then that if he continued that way I feared there would be trouble on the road—the men would not stand it. He said that he could not help it now. That if he had told them last night, he had now changed his mind; that these men were discharged now, and he advised me to go among the men and get them to go to work. I said: "Mr. Sweigard, why is it that you have not lived up to your agreement? Men have been refused work this morning. What are you going to do about it?" He said: "These men have to be discharged, no matter what I said last night." He had a paper there stating what conditions they wanted to enter into, and I told him the time to get a paper was last night, in the presence of the committee; that I could not present any paper to the men after the agreement had been entered into.

Q. He presented a paper containing conditions that he required the men to agree to before taking them back?—A. Yes, sir.

Q. As near as you can remember them, tell us what those conditions were.—A. The conditions were that all men who were employed by the company would remain there, and the men who refused to obey the order would be discharged. I asked him "what order?" He says: "My order." I said: "Your order last night was that all men returning to work this morning will not be discharged." Then I said: "We men are obeying the order of the general manager, Mr. McLeod; do you mean to disobey his order?" He said I could make what I liked out of it; that was what it was now.

Q. Did that delay make a failure of the men to present themselves for work as they otherwise would have done?—A. Well, I believe it did.

Q. Was there any further delay in the receipt of telegrams at other points?—A. There was a delay with Mr. Kaile in receiving a telegram; there is one more that I do not remember.

Q. These telegrams were sent at what time?—A. It was about 2 o'clock in the morning.

Q. Explain to us fully how you understand the workmen were injured by this delay.—A. It appears to the workmen the part taken by the committee in declaring the strike off Mr. Sweigard took for weakness, and as this assembly was composed principally of main line men, that the telegrams were delayed there for an excuse to discharge these men for not reporting on the morning of the 27th. In the morning of the 27th, when I learned that the men were discharged, I called at the Fourth street office with another man and requested to see Mr. Corbin. Mr. Corbin sent out word that he, Mr. Sweigard, and Mr. McLeod were very busy and could not see me just then, but instructed me to wait until they got through with the conference, and Mr. Sweigard would see me.

Q. Were these all the conditions? Was it simply that general condition, or were there other specific requirements added to this condition?—A. There were conditions.

Q. Can you give them?—A. I can not. I took no stock in the paper myself, because I knew when he refused to abide by his agreement of the evening before I could take no stock in his paper. In a few days after that he sent the principal detective for the main line to my office at Pottsville and requested me to go to Fourth street. I asked the detective, Mr. Stockhouse, what he wanted with me, and he said he did not know; that his orders were to tell me to come down. I told Mr. Stockhouse that the thing had gone too far now for me to go down to his office alone; that I would go there in company with somebody else. The following morning I went to Philadelphia with Mr. Bennett. Mr. Sweigard came out and said he was prepared to see me. I told him I did not like to see him alone; that anything he had to say to me could be said in the presence of Mr. Bennett; and he refused to see Mr. Bennett. I consented then to go in his office to see what he wanted, but I left the door open.

Q. Who was Mr. Bennett?—A. Mr. Bennett was secretary of the P. and R. convention, district No. 224. When I went into the office Mr. Sweigard asked me to sit down, and I told him I had no time to sit down, and asked what he wanted. He said that he wanted to talk to me alone; that I was always a very conservative man; that I had done a great deal for the company, and the company appreciated it, and all he desired was for me to set him straight. I told him that I could do nothing of the kind; that the men were all out of work now, and as far as I was concerned I was not going to look out for myself. He told me: "You are fit for a better position than you have." I told him that I would not take any bribe. He said that if I did not take the position he would discharge me, and I said that would not amount to much. He then said, "you can consider yourself discharged." I left the office and that is the last I have heard from him.

Q. What date was that?—A. That was about three or four days after my former interview with him. It was about the 29th of December. It was a few days after the strike, but I do not remember the date exactly.

Q. The Reading Railroad was in the hands of a receiver at one time recently, was it not?—A. Yes, sir.

Q. Until about when?—A. Until about the first of the year. They elected their officers on the 9th of January of this year.

Q. Then at the time this disturbance occurred the road was in the hands of a receiver?—A. It was. As I understood by the papers it had been decided by the courts that it should pass into the hands of the company.

Q. But at the time of this disturbance the road was in the hands of a receiver and under the management of the court, as you understand it?—A. As I understand it was.

Q. About how long had it been in the hands of a receiver?—A. Up to about the beginning of the year.

Q. How long previously?—A. Some years.

Q. Who was the receiver?—A. Mr. Caldwell, Mr. Keim, and Mr. Gowen were receivers.

Q. What position had Mr. Gowen occupied?—A. I always knew him as president of the road.

Q. He was not a receiver?—A. Not to my knowledge.

Q. In the month of December there were two only, were there not?—A. I think there were three.

Q. You do not know that Mr. Gowen held any position under the direction of the court?—A. Not to my knowledge; but he might have.

Q. What is your position in the Knights of Labor organization?—A. I am a member of local assembly No. 2176, national master workman of Machinery Constructors' Association.

Q. What was your position in this executive board or convention?—A. I was chairman of the executive board.

Q. Tell us how a convention differs from the executive board, and how it is constituted differently.—A. Well the Knights' committee, when this new management took hold of the road, thought Mr. Corbin and Mr. McLeod immediately set about discriminating against the old hands. That was discovered in October, 1886. I remember I was one of the first members discharged myself, and the charge against me was that I was incapacitated from old age to perform my duty as a practical machinist. These discharges were taking place all along the whole line. They were displacing foremen of different shops and men in other positions. We got together and thought we would try to prevent that, and we organized a convention. I was not in the service of the company then.

Q. How was that convention composed when it began to organize?—A. It was composed of representatives from the different assemblies, acting as Reading Railroad employés not in the jurisdiction of the general law of the Knights of Labor.

Q. Of how many members did the convention consist?—A. When we started at first we had 10 or 12, but before this strike we had upwards of 180 or 190 representatives from the assemblies.

Q. Were there any members of the convention that were not also Knights of Labor?—A. They were all Knights of Labor, unless there were a few representative men from the Amalgamated Society.

Q. Do you know of any other such conventions in the country?—A. We were advised of a similar organization on one of the western roads, dealing with the company as employés. We organized this convention so that our committee would go there in the name of the Reading Railroad employés instead of Knights of Labor.

Q. Then this was really a subordinate organization of the Knights of Labor so adjusted as to deal readily with the Reading Railroad?—A. Yes; in the name of its employés.

Q. Previous to last September was there any labor disturbance between the employers and the employés of the Reading Railroad?—A. There was a labor disturbance about the color test that the company wanted to introduce, and it resulted in a little trouble at Port Richmond; but it was settled.

Q. When was this?—A. That was away back; I think in July, 1887.

Q. Was there any connection whatever between that disturbance and the one which culminated in the strike?—A. No, sir.

Q. Was there any disturbance or misunderstanding between the employers and the employés that had any bearing upon this strike until the disturbance at Elizabethport?—A. None that had any bearing on this strike.

Q. Or that in any way led to it or promoted it?—A. Well, we were, as employés, under apprehension from what we had learned from company officials in the way of conversation that the Knights of Labor or the organization was to be broken up by the company.

Q. How long had that belief existed among the hands?—A. We talked it over in last September. That was the month when the Lehigh troubles commenced.

Q. Had there been such a talk previous to September?—A. No, sir. We held two or three investigations of charges that were brought against some of the company's officials for discriminating against members of the order. This was before September. The investigation resulted in the removal of the officials to another point on the road, and in another investigation the result was that Mr. Dotts was discharged by the company at the request of the Knights of Labor.

Q. Were there any other disturbances between the Knights of Labor and the company than those you have mentioned now?—A. Nothing that I remember now, without it was some little trivial cases.

Q. Before the disturbance at Elizabethport was it the general feeling of the Knights of Labor that the company was disposed to throw its influence against them and break them up?—A. It was the impression that the company would do that in this present trouble when they saw the way things were going.

Q. You say about 7,000 men went out in the last days of December. What has become of these men?—A. About 5,000, I think I said. A majority of them are out yet.

Q. They have been without work ever since?—A. They have been without work ever since.

Q. Supported either by their accumulations or the contributions of society men?—A. Yes, sir.

Q. Where are these men located?—A. In Philadelphia and all along the line, and at Pottsville and Shamokin.

Q. What was the effect upon the railroad's working?—A. It is that of a stand still as far as the mining regions and Port Richmond are concerned. There is nothing of any importance doing there. Port Richmond is in Philadelphia, where they load coal on the boats.

Q. What was the effect upon the freighting of this road?—A. The effect was pretty severe as far as the company's interests are concerned.

Q. Did it stop all freights?—A. No; it stopped the greater portion.

Q. What effect has it had on passenger travel?—A. Well, that question was brought up in the convention as to calling out the passenger [illegible] We discussed the question, but came to the conclusion that the [illegible] would be inconvenienced if we interfered with the passenger [illegible], and as it was a question for the 'public to decide we wanted to go on record as not doing anything that would be against the wishes of the community. We decided not to call out passenger-train men nor the [illegible] nor the signal-tower men.

Q. What men did you decide to call out?—A. The men we wished to call out were these train men and all the men that were discharged.

Q. Was the road carrying a great amount of coal freight up to that time?—A. Yes, sir; previous to this going out of the men.

Q. Was the movement of coal upon that Reading system stopped at once?—A. To a great extent.

Q. Where did this coal go for consumption?—A. A large portion of it came to Philadelphia and was transported to the East.

Q. To what points East?—A. I presume some went to New York and farther down.

Q. In advising the men to go out you say you considered the convenience of the traveling public?—A. Well, I did not advise the men to go out. They were locked out. Mr. Sweigard would not let them work.

Q. In your negotiations of this strike did you consider the right and interests of the consumers of coal?—A. We did. That is a point we working men hope and believe we will be able to demonstrate clearly when you get through with this investigation.

Q. What can you tell us about that?—A. I prefer that representative miners, like Mr. McGarvey and Mr. Davis, who are present, should give you that.

By Mr. ANDERSON:

Q. Can you give an approximate statement as to the number of coal [illegible] the amount of coal the company was ordinarily transporting [illegible] this trouble and of the amount since?—A. The exact figures [illegible] have got, but I have not got them with us; but we can furnish you [illegible].

Q. You spoke of an impression among the men that the company was [illegible] to break up the organization of the Knights of Labor among [illegible] employés. Can you state the ground upon which that impression [illegible]—A. I have said that we got that from a second party. The [illegible] was that they were going to make the fight on the Reading Rail- [illegible] employés, and the convention determined to make the fight as [illegible] Railroad employés.

Q. [illegible] that the men came to the conclusion that the company [illegible] to break up the Knights of Labor were they committing any [illegible] against the company—tearing up tracks, killing engines, [illegible] of that kind?—A. No, sir.

Q. [illegible] the men held that they had a right to combine in an or- [illegible]—A. In a conversation with Mr. Corbin I asked if they would [illegible] to organize or keep up our organization and recognize our [illegible] and if we had any grievances to arbitrate them.

Q. What reply did Mr. Corbin make to the proposition about the or- [illegible] Knights of Labor?—A. He issued circulars all over the [illegible] by the company and refused to arbitrate, saying there is [illegible] to arbitrate.

Q. Do you say that these circulars sought to prevent the men from continuing as Knights of Labor?—A. Yes, sir. The miners had communicated with Mr. Corbin for the purpose of bringing about a settlement of the railroad difficulty by arbitration. He refused to arbitrate with either the railroad men or the miners.

Q. What do you mean by the five crews?—A. A crew is the number of men that man an engine and train; sometimes three or four; seldom five.

Q. Where were these five crews?—A. At Port Richmond.

Q. When Mr. Sweigard spoke of outgeneraling the committee, to what did you understand him to refer?—A. I understood him to mean that they were victorious; that they had led us into a trap and we could not get out of it. That was what I inferred from his remark.

Q. From the statement of Mr. Sweigard had the men any reason to think that the company was trying to force the strike as an excuse for a lockout?—A. He treated us very discourteously a few weeks previously to that strike when our men waited on him.

Q. What was the agreement that you spoke of as existing between the company and the men that was in force prior to the present trouble?—A. It was to the effect that no employé would be discharged from the service of the company without a fair and impartial hearing.

Q. How long has that agreement been in force?—A. Nine or ten months.

Q. Did the men understand that allowing these five crews to quit work was a violation of the agreement?—A. Yes, sir.

By Mr. STONE:

Q. What do I understand you to say your employment was with the railroad company?—A. I was employed as a machinist.

Q. What is your age?—A. I am thirty-eight years old this April.

Q. You were working in the machine-shops in Philadelphia prior to the strike or lockout?—A. Yes, sir.

Q. How long did I understand you to say you were in the employ of this company?—A. I was in the employ of the company from 1880 continuously with the exception of seven or eight months.

Q. Can you tell me what extent of road the Reading Company operates?—A. I can not state the exact number of miles of the road.

Q. Philadelphia and Reading are its termini?—A. Philadelphia and, I believe, Williamsburgh is what we call the main line. Where the coal is shipped from is 93 miles—Pottsville to Philadelphia.

Q. The branches of this road ramify through the country to reach the coal mines?—A. Yes, sir.

Q. Does that company operate any connecting line of railroad extending beyond the limits of the State of Pennsylvania?—A. The Bound Brook is controlled by the Philadelphia and Reading.

Q. Where does it run from?—A. It runs from Philadelphia to New York or New Jersey.

Q. That is what is called the New Jersey Central?—A. No, sir; that is not the New Jersey Central.

Q. Does this Reading Railroad Company control and operate the New Jersey Central?—A. No; the Reading does not control and operate it; but I understand that President Corbin has a controlling interest in it.

Q. Coal shipped from the Schuylkill region over the Reading Railroad to New York would pass over what lines?—A. It would go down the main line and over the Bound Brook to New York.

Q. One company's line and under the same management?—A. Yes, sir; and under the same management.

Q. Elizabethport is connected with the Reading system by railroad?—

A. Yes, sir. It is a point in New Jersey and is reached over the Bound Brook, operated and controlled by the Reading Railroad Company.

Q. When did you say the Reading Railroad went out of the hands of the receiver?—A. On or about the first of this year.

Q. Was that railroad in the hands of the court, and the mining property in the hands of the court, at the time of this strike began?—A. I think so.

Q. Was it under the management and control of the receivers appointed by the court?—A. I am not positive about that; but I believe it was.

Q. Did Mr. McLeod, Mr. Corbin, and those men have the control and operation of the road while it was in the hands of the receiver?—A. Yes, sir.

Q. Prior to September last the relations between the railroad company and its employés were on a satisfactory basis and had been for some months?—A. Yes, sir.

Q. That relation continued down to December, practically?—A. Practically; yes, sir.

Q. Prior to December there was no disturbance between the Reading Mining Company and its employés, was there?—A. There was; but I would prefer the miners to answer that themselves; they had some difficulty in September.

Q. The strike had not begun until December?—A. Not with the Reading miners. It began with the first of the year, I think.

Q. Was there any trouble in an organized form?—A. Yes; they had made a demand for wages in September, when Coxe, Pardee, and others refused to yield to the Lehigh men, and the Reading gave the advance, with an arrangement, until the first of the year, or until the difficulty would be settled in the Lehigh region. If the men in the Lehigh region should resume work at the old rates or reduced rates, that the company might be able to compete with them in the market the Reading miners had decided to go to work at the same price as the Lehigh men. That then the 8 per cent. would be taken off if the other men went in to work.

Q. There was trouble between the Lehigh region and their miners?—A. Yes.

Q. The difficulty between the Lehigh companies and their employés has eventuated in the quarrel between the Reading operators and miners?—A. Well, yes; I think it can be traced to that.

Q. I understood you to say that Coxe & Co. and other operators in the Lehigh region had refused to accede to certain demands made by the miners for an increase of wages?—A. Yes, sir.

Q. And out of that demand the strike arose?—A. Yes, sir.

Q. I also understood you that the Reading Railroad Company had transported coal for Coxe from the Lehigh region to Elizabethport and there wanted to load it for them on the barges?—A. No, sir; they did not transport it. It was Reading coal, as I understand it, loaded in Coxe's barge for Coxe to supply his contract.

Q. They refused then to load the Reading Company's own coal on Coxe's barges?—A. That is as I understand it.

Q. And growing out of that refusal the trouble between the railroad company and its employés originated?—A. Yes, sir; so far as Elizabethport goes; but the principal trouble was the discharge of the five crews at Richmond.

Q. When these employés of the company at Elizabethport refused to load the Coxe barge what did the company do?—A. Discharged them.

Q. In what capacity were those discharged men employed by the railroad?—A. Some engineers, some brakemen and coal handlers and all that went to the handling of the coal there.

Q. When did you say that was?—A. On or about the 23d of December.

Q. When did the trouble occur at Port Richmond?—A. The same day, I think. I was brought down from Pottsville on the night of the 23d. I think it was about the 23d, and they discharged five crews, regardless of the agreement entered into that no man should be discharged without an investigation of his case.

Q. Did they discharge the engineers?—A. They discharged all that comprised the crews.

Q. Growing out of that difficulty all the men were finally called out?—A. Yes, sir.

Q. Afterwards an agreement was made by which they were to return to work?—A. Yes.

Q. Which you say the railroad authorities broke?—A. Yes, sir.

Q. And that they acted in bad faith?—A. The men had decided that all of these parties should be discharged from the service of the company and a settlement made by me. The first trouble was all settled by that agreement. The company failing to live up to its agreement caused this second trouble.

Q. The whole Reading Railroad system, both inside Pennsylvania and out, is involved in this strike?—A. Yes, sir.

By the CHAIRMAN:

Q. I understand you to say you were discharged about the 29th of December?—A. Yes, sir; the date may not be correct, but about that time.

Q. What business have you been engaged in since then?—A. I have been engaged in trying to settle this dispute.

Q. In what way?—A. By going before persons and parties that I think have any influence to bring about a settlement.

Q. Have you solicited aid for the strikers?—A. Yes, sir.

Q. Your sympathies are altogether with the strikers in this contest; and have you done much of that sort of work?—A. My sympathies are altogether with the men who are locked out, and I have sent out $12,000. Our appeals have been responded to by laborers from every State in the Union.

Q. Have you been making speeches in favor of the strikers?—A. Making speeches as far as making statements are concerned.

Q. You speak of it as a lockout. Is it your understanding, or do you contend, that the railroad company gave the first offense which led to this trouble, or did the men first do something that caused the railroad to lock them out?—A. Well, I believe that question has been decided by the courts; I am not positive about that. In reference to the Coxe barge, whether the men, under the law of common carriers, were compelled to load it or not was the question, and I think the decision was that they were not. That is why we contend that the company struck the first blow when it refused to abide by the contract entered into by its representatives in discharging the five crews.

Q. And the five crews were discharged because they had refused to load a certain barge?—A. Because they had refused to handle certain freight.

Q. How many employes of the road reported for duty on the 27th of December, when they were refused work?—A. The usual complement in and around Philadelphia; but at the upper portion of the line, where the telegrams had been retained they did not apply. They did everywhere that they were notified.

Q. I understand you to implicate the telegraph companies as in a sort of conspiracy with the railroad authorities against the railroad employés in this matter?—A. Well, there is something wrong.

Q. Is that the Western Union Telegraph Company?—A. I think it is.

Q. Is it generally believed along the Reading Railroad that the Western Union operates the telegraph line or that the Reading Railroad operates it?—A. It is the impression of our people up there that the Reading Company does run this line.

Q. Has that impression got abroad since this strike occurred, or did that impression exist previous to this strike?—A. I never had any occasion to inquire into it previous to that.

Q. Is it only since the occurrence of this trouble that the belief has become general that the railroad company operates the telegraph?—A. The employés always were under the impression that the company operated the wires itself, because when we had any telegrams to send anywhere on company business there was never any charge made for them when I went into the office.

Q. You speak of a conspiracy having occurred in New York on the part of the Reading Railroad and the authorities of other roads to break up the organization of the Knights of Labor. Can you give us any facts of your own knowledge, or is it only hearsay which made that impression on your mind?—A. The person who will give you the facts as to this is William T. Lewis. He lives in Columbus, Ohio. He is a miner, at present filling the position of national master workman of district 135 of the miner's organization.

Q. You spoke something about coal mined by the Reading Company going out of the State of Pennsylvania into New York and in an easterly direction. Can you tell us whether this railroad company ships any coal out of the State in a western or southern direction, either by water or by rail?—A. Yes, sir; I have been informed so. They ship coal from Shamokin west, up to Minnesota.

Q. At what point do they cross the State line, either going west or south; if by rail or by water?—A. I think, if I am correct, they ship by rail up to the lakes, then they ship by water, as I am informed.

Q. In Pennsylvania or in New York?—A. In New York State.

By Mr. CHIPMAN:

Q. You say that the discharges of the crews were at Elizabethport?—A. The crews worked at Port Richmond.

Q. Because of the men stopping work?—A. Yes, sir.

Q. You state that the discharges were in violation of the agreement on the part of the railroad authorities that no employé should be discharged without a fair hearing and an opportunity to arbitrate?—A. Yes, sir; with a fair and impartial hearing; and I think, I am pretty sure, that the word "arbitrate" is mentioned in the agreement.

Mr. STONE. Was that agreement in writing?

The WITNESS. I have the documents; but not here.

Mr. CHIPMAN. Do you still think arbitration was contemplated by that agreement?

The WITNESS. Yes, sir.

Q. How was that agreement made?—A. It was made between the committee and Mr. Sweigard in writing.

Q. You say the parties to it were a committee and Mr. Sweigard?—A. Yes, sir.

Q. What committee?—A. A committee of employés.

Q. Being in writing, do you know where the original is?—A. It is in the hands of the committee at Port Richmond.

Q. Do you remember who that committee were?—A. I can furnish this committee with the names, but I do not remember their names now.

Q. At what time was that agreement entered into; a number of months before the strike?—A. I can not be more definite about this committee.

Q. According to your understanding of that agreement, who was to arbitrate?—A. The general superintendent was to listen to the committees when they would go there. That was the understanding.

Q. You say you are thirty-eight years of age now?—A. Yes, sir.

Q. You say you were discharged from your employment as a machinist about December 29 last on account of old age?—A. No; that was some little time after Manager McLeod and Corbin first took hold.

Q. That does not apply to your last discharge?—A. No; my last discharge was when I refused to set Mr. Sweigard straight.

Q. Who signed that agreement?—A. Both sides, I believe. I was not a member of that committee. I believe that agreement is signed by Mr. Sweigard and this committee that will appear before you gentlemen.

By the CHAIRMAN:

Q. What was the character of this freight for the handling of which, or non-handling of which, these men were discharged?—A. I do not know what kind of merchandise.

Q. It was not coal?—A. No, sir; it was not coal; but I am not positive about that.

Q. Then what was their ground for stopping work?—A. Mr. Taylor is a man that was doing business, as I am informed by the committee, and had men employed in his service who were getting 30 cents per hour, and for some reasons they were dismissed from the service and he got others to whom he was paying 15 cents an hour.

Mr. STONE. Who is Mr. Taylor?

The WITNESS. He is a man that is doing business on the river there.

By Mr. PARKER:

Q. An independent shipper?—A. I believe he is.

Q. On what ground did these crews stop work?—A. I prefer that others who were on the ground should tell. The way I understood it to be was that this man who sold goods there of some kind refused to employ Knights of Labor or refused to employ men who were connected with a labor organization, and he employed men who are called scab labor, and the men were trying to refuse to do anything in the way of handling goods for him.

Q. Then these five crews were at that time handling goods that were consigned to Mr. Taylor, as you understand?—A. Yes; as I understand it.

Q. And because he employed men who were not members of the Knights of Labor, paying them less than Knights of Labor worked for, they refused to work longer for the road?—A. No, sir; they refused to handle goods for this man Taylor, and on account of their refusal to handle goods for this man Taylor they were discharged by the company.

Q. Where were the goods?—A. They were in the cars.

Q. What business was Taylor in?—A. That I can not state.

Q. He was not in business connected with the Reading Railroad except that it carried for him?—A. Not to my knowledge.

Q. Then the five crews stopped work to compel Taylor to employ Knights of Labor?—A. No, sir. A committee waited on Mr. Sweigard to have the matter investigated, and he refused to investigate it.

Q. Then the cause of the strike of these men is utterly disconnected from the trouble arising at Elizabethport?—A. Yes, sir.

Q. But happened on the same day?—A. To the best of my knowledge it did.

Mr. ANDERSON. When this agreement was made not to discharge men, how were the men employed, by the year, by the month, or by the week?

The WITNESS. They were employed and paid by the hour.

Q. And the company could discharge them at any moment, so far as the agreement with the man himself is concerned?—A. That was the rule previous to this agreement.

By Mr. STONE:

Q. When Taylor employed this cheap labor—scab labor, as you term it—the five crews of the Reading Railroad Company refused to handle freights consigned to Taylor, to deliver it, or to have anything to do with it?—A. Yes, sir.

Q. Then the company discharged these crews?—A. That is as I understand it.

Q. Discharged them, as you say, in violation of an agreement previously made that no employé should be discharged until the matter had been fairly heard and in some way adjudicated or some effort at adjustment made?—A. Yes, sir.

Q. How long after these five crews were discharged was it before the men along the whole line were called out?—A. Next day.

Q. In the mean time, however, you had gone to the authorities of the Reading Railroad Company?—A. I had not been there, but a committee had been to see Mr. Sweigard.

Q. Representing these five crews, with a view to some settlement, and the company refused to entertain any proposition looking to a settlement, and thereupon the employés along the whole line were ordered to stop work, which they did?—A. Yes, sir.

Q. And all efforts at adjustment since then have failed and the company now is practically carrying no freight?—A. There was an effort at settlement at that time, on the night of the 26th. We met Mr. Sweigard and a settlement was made that night. The understanding was that these five crews and these two men should be discharged, and it was agreed to.

Q. The rest were to go to work?—A. Yes, sir.

Q. Telegrams went out to that effect but were not delivered, and hence on that account the men did not report for work, and you say the company made that an excuse to discharge them afterwards?—A. Yes, sir.

Q. When was the last conversation you had with Mr. Sweigard?—A. On Monday night, December 26.

Q. Then you say he said to you he wanted you to set him right?—A. That was not the last conversation. That was four or five or six days afterward. That is the time he sent his special officer to Pottsville.

Q. That is the occasion I am talking about; when you went down with Bennett and saw him?—A. Yes, sir.

Q. What is Mr. Bennett's name?—A. H. I. Bennett.

Q. Where does he live?—A. At Port Richmond.

Q. Was he present at that conversation?—A. He was present, but Sweigard would not permit him to go into his office.

Q. Did he hear what was said between you?—A. Well, the door was open. I left the door open. I can not say whether he heard it or not; but I refused to shut the door. I left it open when he refused to let Mr. Bennett go in.

Q. Have you heard him say whether he heard or not?—A. I do not know.

Q. Have you had any conversation about it?—A. I have not talked much about it.

Q. Sweigard wanted you to set him right?—A. Yes, sir.

Q. Right with whom?—A. I do not know. I told him I could not set a crooked man right.

Q. What did you understand him to mean?—A. I inferred from him that he had made a great blunder, and he felt that he was responsible for the second trouble.

Q. Did you understand then that he wanted to talk about settling the matter in some way?—A. I did not remain long enough with him to know, only, as I stated, until he made his proposition, and as he would not consult with anybody but me personally I declined to speak with him alone.

Q. He wanted to give you a better position than the one you had?—A. Previous to that. I omitted one thing. After I came into the office Mr. Sweigard asked me if I was receiving any pay, and I told him I was paid $2.25 a day for my services by our convention, or our men, and that I could not conscientiously accept any compensation from the company when I was not rendering any service to them.

Q. You were not at that time actually in the employ of the company?—A. I was employed in the service of the company, but I had a leave of absence to perform this work in Pottsville, for which I was paid by the organization $2.25 a day.

Q. You say that this Mr. Sweigard offered to you, or intimated that he would give to you, a better place than the one you had—would make it to your advantage to work for him?—A. He proffered to pay me for my services as a machinist in the shop while I was doing work for the organization, and I declined to accept anything of the kind.

Q. What did you understand he wanted you to do?—A. He wanted me to take $2.50 a day for my services as a machinist when I did not work for the company.

Q. To do what?—A. That is best known to him, and not to me.

Q. What did you understand; that he was trying to bribe you?—A. I so said to him. I said: "Mr. Sweigard, it will not do for me to do anything of that kind; I have had a good character and I do not want to tarnish it by accepting compensation of this company while not doing actual work for them, and the men paying me $2.25."

Q. I will put the question in a leading form. Did you infer from what he said that he wanted to bribe you to play false in some way to the men whom you were representing?—A. Well, of course, it looked that way to me.

Q. Was it because you drew that inference that you rejected the proposition?—A. It was.

Q. Did he say anything to make the impression on your mind as to what line of work or policy he wanted you to pursue in the event you accepted his proposition?—A. No, sir; he said to me: "I do not want to bribe you. The company know that you have done a great deal of good service for them, and they would like to show you that they appreciate it. They would like to compensate you."

Q. What is it that you could have done to his advantage if you had accepted the proposition?—A. I do not know what I could have done except in trying to get a settlement.

Q. What is it that you could have done in his interest if you had accepted his proposition?—A. When this trouble came up in the strike?

Q. That day in Philadelphia. He wanted to pay you $2.50 a day as a machinist while you were not working for him, and while you were in the employ of the labor organization. What is it that you could have done?—A. There was a question up to have the Cressona run changed. They originally started from Palo Alto with their train, and they wanted to have it changed for Cressona. The men had discussed the matter and they wanted to have that run changed, and I called his attention to that fact, that the men were coming up to have that run changed, and he was opposed to it, and he wanted me to say to the men that it was to the advantage of the company to have that run start from Cressona.

By Mr. Chipman:

Q. Did Mr. Sweigard, at the time he offered you $2.50 a day, know that you were getting $2.25 for your employment by the men?—A. I told him so.

Q. Did he suggest that you should give up your work for the men and come to him?—A. No, sir.

Q. Did the impression remain on your mind that you were to keep both employments if you accepted his offer?—A. That was the impression I had of it.

TESTIMONY OF HUGH M'GARVEY.

Hugh McGarvey sworn and examined.

By Mr. Stone:

Q. What is your full name?—A. Hugh McGarvey.

Q. Where do you reside?—A. Coal Range, in the neighborhood of the collieries operated by W. T. Carter & Co. and Coxe Brothers & Co.

Q. How long have you lived there?—A. In that neighborhood since 1855, with the exception of three years I was away from home.

Q. Are you a native-born American?—A. Yes; I was born in the city of Brooklyn. My parents went to the coal regions when I was about six years of age.

Q. What is your age?—A. Thirty-nine the 9th of last September.

Q. What business are you engaged in?—A. At the present time nothing, particularly.

Q. What is the business that you generally follow?—A. I followed the mines from the time I was a boy nine years of age until I was eighteen. I went away from home and came back when I was twenty-one. I went into the mines in 1870 and worked there until the fall of 1873. I was at that time identified with the Miners' Union and had taken part in the formation of the Miners' National Union, and on returning from that convention, which was held in October, 1873, in Youngstown, Ohio, I found myself discharged. I did not go back to the mines till the summer of 1881. I worked in the stripping mine.

Q. You went back to work in the mines in October, 1881?—A. Yes, sir; in Carbon County, in the stripping, where they get coal cheap;

where they take the surface up. I worked in the mines part of the summer in 1881. The following two years I worked the summer time on the road, laboring. In the winter seasons I did not do much work. Since 1875 until about three years ago I did some newspaper work, local reporting, and got some little perquisites out of printing, and all that sort of thing. In the month of October, 1882, I applied for work at Coxe Brothers & Co., near where I live, and I got work there in April, 1884. I had applied in the mean time three or four times for work, but did not get any till the month of April, 1884. They are also known as the Grassy Creek Coal Company.

Q. How long have you continued with Coxe Brothers & Co.—from that time until recently?—A. I worked there until the following February. At the spring election of that year I was elected township supervisor, and was re-elected the following season. These two years I put in there. I quit their employment in the month of February, 1885.

Q. You have not been engaged in practical mining since that time?—A. No, sir; I never was a contract miner. The town where I was brought up at, and at the time when I got able to mine, the rule of the company operating there was that no single man should get contracts. They would not give breasts to a single man, but they would have to take a day laborer's place, such as driving mules, running cars, etc.

Q. You live within what is called the Lehigh region?—A. Yes, sir; nearly all my life.

Q. Which embraces ——A. It embraces all the coal district in Carbon County, all the coal in lower Luzerne County, the township of Hazel and Foster-Brook Creek township. But all the coal fields of lower Luzerne are in the Lehigh region, and in Carbon County are a portion of the Lehigh coal region, and there is a part in Schuylkill County that we call the Lehigh region also.

Q. What comprises the Schuylkill region and also the Lackawanna?—A. The Schuylkill region is all of that coal field that is in Schuylkill County and the three counties below, Columbia, Northumberland, and Dauphin. This may not be in accordance with the map, but nevertheless that is the way we speak of it.

Q. What is the Lackawanna region?—A. That is all that coal region that lies along the Susquehanna River.

Q. Are you familiar with the conditions surrounding the mining of coal in the Lehigh region?—A. I am, in as far as it pertains to the working people; but if I may use the term with reference to the business matters of the operators and combinations, I am not familiar.

Q. Who are the chief operators in the Lehigh region as companies or individuals?—A. Ario Pardee & Co., Coxe Brothers & Co., the Lehigh Coal and Navigation Company. These are the leading interests.

Q. What proportion does the part those companies control bear to all the coal lands in the Lehigh region?—A. I thought I had something with me that I could get that information from, but I have not got it. I should say one-half.

Q. Do those three companies employ one half the men engaged in mining in that region?—A. Very near one half, I think.

Q. And control one-half the output?—A. Yes, sir. I want to qualify that statement in this: Ario Pardee is the old gentleman, the original coal operator, and after him there are Calvin Pardee & Co., Pardee Brothers & Co., and I think Pardee, Sons & Co. They operate all the collieries in the neighborhood of Hazelton, known as Sugar Loaf, South

Sugar Loaf, Laurel Hill, Bitter Mines, Cranberry and Chrisley Ridge, Mount Pleasant, and at Latimer and at Hollywood.

Q. About how many men do these three companies ordinarily employ?—A. I should say about 8,000.

Q. That represents about one-half of the men engaged in coal mining in that region?—A. They may not have exactly that many men working; they employ that many people.

Q. When did the trouble originate between the miners and their employers in that region—the existing trouble?—A. The existing trouble originated on the 10th of last September, when the strike in the Lehigh region began; but it is simply the continuance of a trouble that commenced in 1871.

Q. What was the immediate cause of the trouble which began the 10th of September last?—A. The immediate cause was a claim on the part of the miners. It was that the basis price paid for contract and day labor was too small.

Q. Did the miners demand an advance?—A. Yes, sir.

Q. Which was refused?—A. Which was refused. It did not receive any attention on the part of the employers.

Q. Who were the employers you now refer to?—A. Ario Pardee and the other Pardees, Coxe Brothers & Co., Linderman, Skeer & Co., the Beaver Brook Coal Company, Lehigh and Wilkesbarre Coal Company, George H. Myers & Co., J. C. Hayden & Co., W. T. Carter & Co., G. B. Markle & Co., and the Upper Lehigh Coal Company.

Q. The greater number of these are individual operators?—A. Yes, sir; they are, I suppose. We know them all as individual operators, with the exception of the Lehigh and Wilkesbarre Coal Company. They operate mines also in the Wyoming region.

Q. What advance on existing wages did the miners make a demand for?—A. A demand was made that would amount to an average of 16 per cent. on what they were working at.

Q. What were they getting at that time?—A. I could better explain that by saying that at that time the supposed basis by which wages and contract prices were regulated was the price of coal at tide-water. In 1867, consequent upon a reduction in wages in the anthracite coal region, the miners formed an organization, or at least they attempted to form one, and they continued the attempt until 1869, when they succeeded in organizing the whole anthracite coal region. In 1869 a basis of wages and contract prices was demanded by the men of the Lehigh region, and conceded after some trouble. I was not at home at that time. Its history I have got from men who took part in the business. I came home in 1870. It was then found, after the system had been in vogue there awhile, that the miners and the day-wage workmen were being paid most liberally. They made enormous wages, and in a meeting between the Lehigh Coal Exchange——

Q. About what wages?—A. Inside miners, if I remember aright, could make as high as an average of $75 to $100 a month. Laborers were paid as high as $22 to $23 per week—inside laborers, men who worked in the mines, not skilled workmen; but they did help the miners, and they helped to lay the roads and helped to keep the roofs in repair.

Q. When was that?—A. In 1869.

Q. What was coal worth then?—A. As far as I can recollect, coal was selling, wholesale, at between $5 and $6 per ton.

Now, a second meeting, in 1869, between the operators, or the Lehigh Coal Exchange, and the representatives of the Miners' Union resulted in the basis system—another one on the same principle as the first—

with the basis price for day labor and contract work at a less figure. The figures were as I will give them now: For contract mining, big vein, when coal sells for $5 a ton at tide-water, free on board, the miner was entitled to receive 57½ cents per ton for 48 cubic feet measure. For working the smaller vein—what is known as the Wharton vein—about 15 per cent. extra was paid, because it was a harder vein to work, and it takes twice as much labor and twice as much materials; miners working by the day inside were paid on a basis of $16 per week; laborers $14 per week. I am not positive about the figures paid outside hands; but I know in some instances it was as much as from $10 to $12 per week. The sliding scale was at the rate of 15 per cent. for every dollar or every fractional part of a dollar that coal advanced above $5 in the market at tide-water. You will understand that the wholesale price of coal at tidewater included the charges for toll as well as charges for re-loading and the expense of taking the coal out of the mines and putting it through the breaker. The toll is the charge for carrying the coal by the railroad companies from the mine to tide-water—freight. The figures and price of wages that I give you were the basis at that time for wages and contract prices and could not be reduced, but could be advanced at a rate of 15 per cent. with the advance in the price of coal.

Q. If coal at tide-water was at the wholesale price, say $5 per ton, the miner received from the operator how much?—A. Fifty-seven and a half cents per ton of 48 cubic feet measure.

Q. He got that much for the coal he mined?—A. He had to load it for that, too, put it in the mine-car, so that the company could take it round to the breaker. Then there were prices paid for all the accompanying work of the mine, such as opening the chute, that was paid for, and the battery, and heavy timbers and logging that went into the mouth of the breast we had at this price, and the laying of the roads and the putting in of chutes to carry the coal, and they were paid extra for chuting and buggying.

Q. How much wages per day could a miner make at 57½ cents per ton, with coal at $5?—A. Well, some miners could make $100 a month; some could make more, but you will understand that in average mining it is good work when you get out, say, from 12 to 14 tons per day in the big vein, or 10 tons in the small or Wharton. That is a good day's work for a miner and laborer. But where they drive it in a pitching place the miner does not average that until he gets up and has his chamber drove and it is full; then he could make at the rate of $100 or even $200 when he is driving it out; but working on a slight pitch from 10 to 14 tons per day is good work.

Mr. ANDERSON. What would be the average of all that different kind of work?

The WITNESS. I would say $75 per month.

By Mr. STONE:

Q. How many tons a day?—A. An average of 11 tons per day. You will understand that in the summer season, in the good weather season, the miners can do better than in the winter time, for the reason that the frost and the snow interfere with the running of the breaker, with the channels, the steam, and the running of the cars on the tracks outside; and the miners can not get as many cars to load in the mines in the winter as they can in good weather.

This was the 1869 basis, and finally agreed upon mutually between both parties. In the latter part of 1870 the Miners' Union canvassed the restriction of the coal market, as I understand, for the purpose of keeping up wages, by stopping thirty days, beginning the 10th of January, 1871. The operators protested very strongly against that, but the Miners' Union, which was then strongly organized all over the anthracite region, enforced the thirty days stoppage. When the thirty days were up the men found themselves locked out, and before the month of February was out the companies posted a notice that they would resume work provided the miners would accept a reduction, which, if I remember aright, was equal to 10 per cent on contract work, and they cut the figures for day work, if I remember aright now. I read none of those notices that were posted at Janesville. The reason assigned for the reduction at that time on the part of the operators was that they were entitled to some compensation for the loss they had been put to by the miners stopping the thirty days. The men refused to accede to the reduction, and the Lehigh region did not go to work until the latter part of June. About the middle or latter part of June, 1871, they accepted the reduction; they could not stand it any longer. The prices then remained as follows: For mining big vein, 51½ cents per ton. The small vein got the extra price. Miners by the day, $14 per week; laborers, $12 and $11.50. They began to classify us at that time. Then we had only two classes; now we have a dozen. The prices for all othe kinds of work were also reduced. The sliding scale was reduced fro 15 per cent. to 12½ per cent., and the system was so regulated that a miner must accept of a reduction when coal sold for less than $5 a tide-water. The sliding scale was that the wages should be advance or reduced at the rate of 12½ per cent. with the advance, or below th $5 at tide-water. In regard to that it was not the basis price an longer.

Q. On that arrangement how much would the daily or monthly compensation of the miner be reduced from what it was on the forme basis?—A. Well, at the starting-point it would be reduced just wha the notice gave them—about 10 per cent.

Q. Every miner who was making $100 under the former arrangemen would make $90 under this new one?—A. Yes, sir.

The wages varied every month, according to the price of coal, and a a general thing in those days the price of coal was more frequently abov than at $5 or below. I think there were only two months in 1872 whe the circular price of coal was less than $5, and I remember distinctl that in one of those months, and I think the month of June, the pric of coal at tide-water was $4.42, but with that exception the price of coa was generally above $5 from 1869 until 1876, inclusive. In 1872 th miners of the Lehigh region sent a committee to Mr. Pardee, who wa chairman of the Lehigh Coal Exchange, stating that an advance to th former basis price was demanded by the men. Mr. Pardee refused t receive the committee. The men worked along until 1873. In th summer of 1873, or the spring of 1873, a similar demand was made, an Mr. Pardee met the committee and arbitration was finally agreed upon Judge Dargan was chosen as umpire, and his decision was that he di not deem it advisable to interfere with existing contract, and left th price where it was, and we continued at work. The beginning of 187 we met the operators and agreed to the same terms in view of the pani that was then floating over the country.

In 1875 they offered a reduction of 15 per cent on all of these wage and prices, and the miners refused. Like reductions were offere throughout the whole region; it was reduced in the whole region, an the whole region went out on a strike, and were locked out because the would not accept the reduction. The strike continued with us in th

Lehigh region until the 4th of July. I think it was the 6th of July the order was given to go to work. It was finally accepted after a six months stop. In 1877 the prices were again reduced at the rate of 12½ per cent. and the men continued at work until 1879, until some agitation arose about wages. Coal was then selling very low, according to the circular price, in the market, but the agitation arose and the operators of the Lehigh region, from what source I am not acquainted with now, but they said that when coal shall reach $4 on the market they would pay upon the basis of 1875. In the latter part of 1879 or the beginning of 1880, I forget which, coal advanced, according to their circular price, to $4 in the market, and they paid the 1875 price to the day workmen, the men working by the day, but they did not pay it to the men working on contract; and ever since that time, that is, since 1879 or 1880, they have not paid according to the 1875 basis, as they say they are, for the reason that instead of paying 43¾ cents for big vein, with the extra for the small vein, they only pay on a basis of 42½ cents for big-vein men. In many instances they do not pay extra for the Wharton, and in late years it has got to be the complaint that the day workmen are cut all over the region. The men who, under that system, ought to be paid upon a basis of from $10.35 to $10.80 for laborers or $12 for miners, have been compelled to work as low as $7.50 for miners and laborers, and some have been paid as low as $5.70 per week for inside labor.

About two years ago the men again organized and formed what is known as the joint committee, representing the miners of the different regions, and also the Knights of Labor and the Amalgamated Association, and what is known as the Association of Eccentric Engineers. In the month of November, I think, of 1885, this joint committee sent a circular letter to all the coal operators in the anthracite region requesting a consultation on the wages question. The employers paid no attention to it. The following January the same committee sent a circular of demand to all the operators in the anthracite coal regions. The circular contained a basis system that was formulated by the joint committee and approved by the different organizations: but the operators paid no attention to that, and in the Lehigh region since that time we made a demand for an unqualified advance of 10 per cent. It was made regardless of any basis system. That was made in August, 1886. That was not conceded. In relation to the previous demand, I myself was one of the committee appointed by the Knights of Labor of the Lehigh region to wait upon Mr. Pardee, who is chairman of the Lehigh Coal Exchange, with the demand. We waited upon him, but he said he was not chairman of the Lehigh Coal Exchange. He said the Lehigh Coal Exchange had no existence in fact; that now the price of coal was made by the sales agent. I would like to have it understood here that the circular price of coal regulating the wages has always been under the sole control of the operators themselves. Notwithstanding Mr. Pardee's position at that time, within two months after that he himself issued a circular calling a meeting of the Lehigh Coal Exchange, and signed it as chairman. The meeting was to be held at Mauch Chunk.

The last of August, 1887, this joint committee, by the instructions of the Knights of Labor and the Amalgamated Association and the Eccentric Engineers of the Lehigh and Schuylkill regions, issued a demand to the operators. The demand contained a basis schedule of wages such as they would like to have. They also notified the operators to meet them for the purpose of arbitrating the matter with our delegation or to submit the matter to arbitration if there is virtue in that. In the Lehigh region the demand received no attention. In the Schuylkill region the committee were met by the Philadelphia and Reading Coal and Iron Company, and through Mr. Whiting a compromise was effected. The employés of the Philadelphia and Reading Coal and Iron Company continued to work, and the men in the Lehigh region went on strike on the 10th of September. The compromise effected by the committee with the P. & R. was an 8 per cent. advance on the basis that they were working upon.

Q. What basis were they working on?—A. They were working upon the basis of the price of coal at Schuylkill Haven. They first arranged their basis in September, the same time we did, and it has been continued more or less since.

Q. What basis were they working on this last September?—A. I do not know the price for contract work down there; I can not give you that. Mr. Davis will be able to tell you something about it; but when coal sold at Schuylkill Haven the men were entitled to a certain price for day wages and for contract work, and as coal advanced or declined by that price they were advanced or reduced at the rate of 33⅓ per cent. We went on strike on the 10th of September last and have been ever since; are on strike to-day. The individual operators of the Schuylkill region have followed the Philadelphia and Reading Coal and Iron Company and paid the 8 per cent. compromise, and continued to do so until the 1st of January, and a great many are paying it now.

Q. What was the immediate cause of the strike in the Lehigh region?—A. The immediate cause was that the basis price was too low.

Q. What was basis price in the Lehigh region for mining the big vein?—A. Forty-two and a half cents per ton, which ought to be 43 cents. They pay on that basis.

Q. On that basis how much can an average miner earn per day all the year through?—A. Well, in the big vein he might make $400 or $450 a year; in the small vein they will not earn that.

Q. I understood you to say some time ago that when they paid 57½ cents per ton for coal mining they could make $100 per month?—A. Yes, sir.

Q. At 42½ cents how much a month can they make?—A. If they get cars they can make $50 a month; some miners could make more.

Q. But a reduction from 57½ cents to 42½ cents does not equal 50 per cent.?—A. To be sure not; but the price of coal by which wages are regulated has gone down.

Q. What is the difference between the price now and in 1869, when this basis was made originally?—A. I think about $1.50 a ton.

Q. What is the present price of this coal at tide-water?—A. $4.24 when the stop took place.

Q. How much advance did your miners demand?—A. It was an average of about 16 per cent. on the basis.

Q. Above what they were getting?—A. Yes, sir.

Q. These were individual miners—private companies—that were mining this coal and shipping it wherever they had a demand for it?—A. Yes, sir; the general shipments on the Lehigh region are to New York and tide-water.

Q. How is it taken out of there?—A. By the Lehigh Valley Railroad Company, and a large portion of it is taken out by the Central Railroad of New Jersey.

Q. When the miners in your region made this demand for an advance, a similar demand was made in that of the Schuykill?—A. Yes, sir.

Q. But they compromised at 8 per cent.?—A. Yes, sir.

Q. And went to work again ?—A. Yes, sir.

Q. Your people went on strike because they did not get their demand and no compromise was made ?—A. They refused to meet us altogether.

Q. Then the strike of the miners in your region involved the miners in the other regions ?—A. No, sir. The last demand was not made on the operators of the upper regions.

The CHAIRMAN. What do you mean when you say the upper region?

The WITNESS. I mean the Wyoming or Lackawanna.

Mr. STONE. You say the miners make about $450 per year.

The WITNESS. I do not think they fully average that per year.

Q. They have no additional privileges ?—A. Some have.

Q. Are they furnished houses ?—A. As a general thing, in the Lehigh region, the operators who operate the different collieries own all the houses around.

Q. Do they rent them or furnish them free ?—A. They rent them to the miners, and charge good rents.

Q. About what rents ?—A. For a frame house that would cost about $[illegible] to erect they charge all the way from $5 to $7.50 per month.

Q. Have the companies stores ?—A. Every operator in that region, with the exception of the Lehigh Coal and Navigation Company and the Lehigh and Wilkes Barre Coal Company, have got company stores.

Q. Are the men required to deal with these stores ?—A. In some instances they are; in all they are required by means peculiar to employers; in some the compulsion is direct.

Q. Is there an understanding that if a man refuses to deal with the company's store he can not remain in the employ of the company ?—A. Not exactly in that way, but a man who deals in the company's store has a better opportunity for steadier work, or expects to get the best work in the mine—the jobs that pay the best.

Q. Have the companies doctors ?—A. They have doctors, as a general thing.

Q. Are the miners required to employ the company doctors ?—A. Yes, sir.

Q. Are these doctors paid salaries by the companies ?—A. There is [illegible] charged to the workmen—from 50 to 75 cents per month—50 cents for single and 75 cents for married men. The companies charge that against the miners' account, and it is kept out of their earnings; whether they pay it all to the doctor I can not tell.

Q. In addition to that, when the miner has occasion to use the services of this doctor, does he have to pay him a fee ?—A. I do not know how it has been lately, but some years ago, in a case of a broken leg that had to be set, there was an extra fee; and even now in case of childbirth the doctor gets an extra fee of $5.

Q. What is the average cost of living for a family of four persons in that region, living as miners ordinarily live ?—A. I would say about $6 a week; that is, for food and house rent.

Q. About $25 per month ?—A. Yes, sir.

Q. You say that these miners make $50 per month ?—A. I say some of them could make $50 per month. They do not average that now. I have not been averaging it.

Q. Are these miners accumulating anything ?—A. Some miners do accumulate a little. Twenty-five per cent. of them accumulate a little, more or less—the men who get the best work.

Q. You stated in a speech you made the other night here, that "during the last seventeen years the wage workers in the anthracite region have been compelled to live in a state of semi slavery ?"—A. Yes, I made the statement; but I do not say for seventeen years. I said for the last te or twelve years. That is true.

Q. What do you mean by that statement?—A. I mean that while h is compelled in the pursuit of his occupation to live there and labo and not get anything for that labor to live reasonably that he is in state of semi-slavery; he does not get enough to eat.

Q. Well, $25, you say, would furnish the average family with the ordinary comforts of life?—A. No, sir; I do not put in that calculatio the cost for clothing and so on; simply cost for food, house rent, an coal for a family of four persons.

Q. At present the miner gets 42½ cents per ton for coal mining?—A He is supposed to get that, but he does not get it, that is, on that basis Let me show you. When this stop took place coal was selling at $4.24 according to circular of the mine operators, and with the 8 per cent. h would get 38 or 39 cents per ton.

Q. When coal was selling at tide-water at $4.20 a ton what is it wort at Schuylkill Haven?—A. The price at the Schuylkill Haven coal e change, with the Lehigh circular at $4.24, was above their basis pric It was at their basis years ago, and since that time has been generall above it. Their basis price was $2.50.

Q. If a ton of coal is sold by any coal operator at tide-water for $4.2 what has that coal cost him? What did it cost at the point of shi ment?—A. That is a very hard question; I do not believe that I cou find that out even if I wanted to try it.

Q. What does coal cost, per ton, delivered in the car, at the point shipment?—A. I have not any direct knowledge or positive knowled as to that.

Q. Thirty-nine cents of the cost goes to the miner?—A. Yes, sir.

Q. What are the other items of expense?—A. There are the earnin of road men and breaker men employed before that coal is put in th car for shipment. There is the expense of keeping the live stock, th mules, and keeping the pumping machinery and all that kind of bus ness.

The CHAIRMAN. Do the men themselves consume any of this coa which is not shipped by the road?—A. That brings $3.25 per ton They sell that to the employés for $3.25 per ton.

Mr. ANDERSON. What do you suppose would be a fair approximat estimate per ton for all the expenses except the money paid to the miner; the real cost to the company delivered in the car at the mouth o the mines?

The WITNESS. With miners, perhaps, that is a hard matter to get at The coal operators are not inclined to give people a chance to get a their cost. I think they could get the coal to the cars for not more tha $1.25 per ton. They can put some coal on the cars for as low as 3 cents.

Q. Does that include the miners' wages?—A. That includes all.

By Mr. STONE:

Q. Do you know what it costs Coxe Bros. & Co., for instance, to shi their coal over this road from the Lehigh region to tide-water at Philadelphia?—A. I think they give it at $1.80.

Q. And if it costs $1.25 to get it on the cars that would be $3.05 th coal would cost, then, at Philadelphia?—A. That would include reloading besides. The reloading is all the way from 35 to 50 cents a ton.

Q. They are subjected to some additional charges for unloading a Philadelphia?—A. Yes, at tide-water they have to put it on the boat for the purchaser.

Q. Do you know what that amounts to?—A. I think about 15 cents would cover that.

Q. Then the cost is made $3.20 per ton for coal at the point of delivery?—A. Yes, sir.

Q. He sells that coal for $4.24; so that he clears a dollar per ton?—A. I should think so.

Q. How much money have Coxe, Bros. & Co. invested in their business there?—A. I can not tell.

Q. Do they own the land?—A. They are said to own some of the land; they are mining besides on land that they have leased. Coxe, Bros. & Co. and the Beaver Mining Company have leased a tract from the Lehigh Valley Railroad Company.

Q. How many tons of coal during the year 1877 did Coxe Bros. & Co. ship per day?—A. I can not tell you that now, and I can not approximate it. I have the figures, but not here.

Q. Have they large sums invested in pumps and machinery?—A. Yes, sir; they have large pumps and machinery, but I do not know how much they have invested in them.

Q. Have you any idea of the value of these pumps?—A. They cost a great deal.

Q. You have no idea, then, as to the per cent. of profit on their investment?—A. I have none.

Q. Do you know that these operators make as much as $1 per ton clear?—A. I think so.

Q. Do you think they make more than $1 clear?—A. Yes, sir.

Q. That after paying all that a ton costs them they get their money back and the dollar additional?—A. I think so.

Mr. ANDERSON. How is this coal taken from Coxe Bros.' mines to tidewater?

The WITNESS. The Lehigh Valley Railroad Company takes most of it.

Q. Have Coxe Bros. any interest in that company, or are they part of it. Do they obtain any portion of the freight?—A. Not as a company. I believe that the Hon. Eckley B. Coxe has an interest in the Lehigh Valley Railroad Company.

By Mr. STONE:

Q. You think that the miner goes in and digs coal, and takes all the hazard incident to the employment and gets 39 cents a ton; and that the operator, after paying all his expenses of every kind and character, is able to clear $1 per ton?—A. I should think so. I think I have heard it stated by Mr. Coxe not long ago that they did not clear anything. He ought to know; but I can not see where the money goes.

Q. Do these men accumulate large fortunes?—A. That would appear to be the case.

Q. Have they large possessions?—A. Some of them have very large.

By Mr. ANDERSON:

Q. Do they reside in that region?—A. The Hon. Eckley B. Coxe, the Pardees, and J. C. Haydon reside there.

Mr. STONE. What is now being done to settle the existing difficulty?—A. I do not know of anything.

Q. Who is John W. Hayes, secretary?—A. He is a member, the secretary, of the general executive board, Knights of Labor.

Q. Do you know anything of this correspondence with Mr. Austin Corbin?—A. Only as an individual; seeing it in the papers.

Q. Have the miners made any efforts to procure a settlement of thi difficulty since September?—A. No, sir.

Q. Have the operators endeavored to conciliate the miners to settl the trouble?—A. Not at all.

Q. Is the mining business practically at a standstill in that regio and has it been since September?—A. I should say so; about 22,00 men and boys are out.

Q. How are these men and their wives and children living there how are they supported?—A. When the strike took place a great man went to work in the other coal fields, and did comparatively well. Som of them made more money than at home; others did as well, and othe yet did not do quite as well.

Q. How many are idle?—A. I should say about 40 per cent. of the have been idle since that time.

Q. It has been stated in the press that there are men and women star ing there?—A. There are men and women in want; I have not heard any actually starving; but in absolute want.

Q. Do you mean among the miners?—A. Among the miners.

Q. How are those people being maintained?—A. Organized labo throughout the country has been contributing to their support, more o less, since the strike took place. We have been able in the Lehig region up to the present time to distribute from $6,000 to $7,000 pe week since the latter part of September.

Q. Do you know of any individuals personally who are in absolut want?—A. Well, yes, I do.

Q. Who is it?—A. There is a family in our place by the name Johnson, a young man.

Q. What is his present condition?—A. He is a breaker-worker. know that he is in want. I have relieved him.

Q. Has he a family?—A. No family; but a sister.

Q. Is he in good health?—A. I think he is; and there are othe that are more or less in want. There are the wives of a number of m who are in want; at least they say so, and they have no visible mea of support.

By Mr. CHIPMAN:

Q. You say you have expended in relief from $6,000 to $7,000 a we since September?—A. Yes, sir.

Q. Is this relief general or is it only given to individuals?—A. some places the committee having local charge divide it generally; other places they give it to anybody the committees believe to be mo in need.

Q. Are there those among them who find for themselves?—A. The are.

Q. Those who are out of work?—A. Some.

Q. How large a proportion of them?—A. May be from 5 to 10 pe cent.

Q. You spoke of one case of a person being absolutely in want. Yo say you are expending this sum per month to help those who are i want. Do you support these men as being peculiarly in want?—A. I is done in some places.

Q. You gave the name of Johnson who was absolutely in wan What is his full name?—A. N. J. Johnson.

Q. Does he receive greater relief than anybody else?—A. He receive the same relief as other people in that locality who are to be relieve There are a great many there who do not get any relief. If I had know this question would be asked I would have named a great many who are in actual want. The week before last we relieved one party of men and last week another, a lady whose boy works on the breaker.

By Mr. ANDERSON:

Q. In speaking of the cost of living, Judge Stone drew out the expenses of rent and of physician's attendance, and so on, and you included in your estimate a few privileges. How are these privileges obtained? Is there any such system as this company system that you mention in regard to stores?—A. In regard to the stores, that is done under what we call the pass-book system. The party who deals at that store is given a little book for which he is charged two prices, and the amount is kept out of their earnings. They charge for the priest and the doctor and other things, and the whole is deducted from their earnings, and they get the balance.

Q. I have somewhere seen a statement in regard to taxes.—A. The taxes are stopped from the men's earnings. The collector goes to the office and hands in the list, and when the time comes the clerk in the office deducts the taxes from the wages of the workmen and pays it over to the collector, less 2 per cent. that he keeps for collecting it. Miners in our part of the country are valued at $100 per year.

Q. You do not mean that there is a tax on the men?—A. His occupation is valued at that—State, county, and township. The occupation of a miner is valued by the law of Pennsylvania at $100 and a laborer at $75 per annum. All the tax levies are made on that basis, and the taxes are kept out of the man's earnings in the company's office. It is the State and county tax, the poor tax, and township tax. The operators pay it over to the collectors, less 2 per cent. that they charge.

Mr. CHIPMAN. Who charges that?

A. The companies charge that. I have collected the township taxes for two years: that is, the road tax.

Mr. STONE. How did you collect it?

A. I went to the operators.

Q. Did they pay you the tax of their employés?—A. I gave them the list of the tax-payers in their employ about a month ahead, and when the time came I went and got my tax from them.

Q. Is there a tax for merchants, lawyers, doctors, and other professions and trades?—A. Yes, sir.

By Mr. CHIPMAN:

Q. A tax on priests?—A. Yes, sir, there is. They tax the minister as an occupation or profession. That is rated at $150, $250, or $300.

Q. You say that the miner's occupation is taxed at $100 a year?—A. Yes, sir; he is rated at that.

Q. His occupation is assessed as so much property to be taxed; he is assessed that amount of money to be taxed on?—A. Yes, sir.

Q. About what percentage of all the tax would that amount to?—A. It would be about 8½ per cent.

Q. What percentage are you allowed for collecting it?—A. Five per cent.

Q. Do you get that percentage when you collect it of the operator?—A. No, sir; they get 2 of it.

Q. That 2 per cent. and 8½ per cent. represent really what the miner pays every year on a valuation of $100?—A. The 2 per cent. is part of the 5 per cent. The tax collector takes his list to the employer's office. They charge the tax against the miner or laborer. Out of this the tax collector is entitled to 5 per cent. for collection, and when he goes to their office and gets the tax the operator retains 2 per cent. out of the 5 per cent., and the collector only gets 3 per cent. for such collection.

Q. Then the 5 per cent. is added to the 8½ per cent.?—A. What I understood you to mean by what percentage of his valuation was the miner taxed, I understood you to ask how much tax he paid. On a valuation of $100 he pays as high as 8½.

Q. That includes the fee for collection?—A. Yes; that is the tax in some townships.

By Mr. PARKER:

Q. As collector, after you received $8, how much of that did you receive personally?—A. I received 40 cents if I collected it from the miner.

Q. What do you receive if you collect it from the operator?—A. I got 3 per cent. instead of 5 per cent.

Q. You pay the operator 2 per cent. for collecting your fees?—Yes, sir.

Q. So that the miner did not pay any more than if you collected it?—A. No, sir.

Q. What is your business just now? And if you have any official position state what it is.—A. No; I have not.

Q. Have you had recently?—A. I had up to the big strike. I was secretary for the National District for Miners and Mine Laborers in our region of country.

Q. What is that?—A. It is one part of the National District No. 135 Miners and Mine Laborers Knights of Labor; I was secretary for that.

Q. Have you any official position in the Knights of Labor?—A. I am district master workman, District Assembly 87.

Q. How long have you been master workman?—A. Since the middle of January.

Q. How long have you been a Knight of Labor?—A. I first became a Knight of Labor in 1875.

Q. Have you been since 1875?—A. No, sir. There was a time I was not in good standing. I was not a member from 1880 till 1884.

Q. During those four years you were not in good standing?—A. No, sir.

Q. In whose employ were you?—A. I worked part of that time for W. T. Carter & Co., loading coal, and I worked on the township roads. I worked part of that time for Coxe, Bros. & Co.

Q. Since 1880 how much time have you been a practical coal worker or miner?—A. About a year and a half.

Q. And a considerable time you have been in the official employment of the Knights of Labor?—A. Not at the same time.

Q. Have you ever been a lecturer of the order?—A. No, sir; I have been an organizer.

Q. Through the district or outside of the district?—A. Through the district; but I had a *carte-blanche*, and I could go where I liked.

Q. What other official work have you done in the order?—A. Nothing that I know of.

Q. What has been your whole experience as an actual, practical miner?—A. I stated to you that I never was a contract miner. I was a laborer in the mine, and I mined in the mines, and assisted the miner in the breasts.

Q. How long?—A. On two or three different occasions; a short period.

Q. I want to get a statement of how much time you have been employed as a practical, actual miner.—A. You must understand that my boyhood was spent in the mines. Until I was twenty-one years of age I could not get mining, because at the place I was at they would not give contract mining to a single man. That was the rules of the company, and I went as inside laborer—company hand, running cars, driving, working with the men, helping them.

Q. Since you were twenty-one what time have you been employed as an actual miner?—A. I have not been employed as an actual miner since that time, although I worked with miners since that time.

Q. You never have worked inside the mines at anything?—A. Driving the breast—driving the air-hole.

Q. Since you were twenty-one?—A. Yes, sir. I worked as roofer in the mine since.

Q. Your experience in the matter of mining has been largely as business assistant to miners and organizations connected with mining?—A. Yes, sir.

Q. What was the nature of this bad standing that you spoke of in the Knights of Labor, if you have no objections?—A. Because the order died away in our part of the country from the opposition that it received on the part of the clergy, and because, also, of disintegration that took place from politics.

Q. You spoke of the taxes paid and the amounts that were deposited for the doctor and others. I think you spoke of a payment for the priest also?—A. Yes sir.

Q. Is the priest paid in the same manner that the doctor is—through the clerk?—A. Yes, sir.

Q. State how that is, and the amount of it, if you know.—A. The miner or laborer is charged 50 cents a month, in the part that I come from, for the priest.

Mr. CHIPMAN. Is the charge made irrespective of the miner's religion?

The WITNESS. Oh, no.

The CHAIRMAN. They tax them all for the preacher and let them go to what church they please—they are not all Catholics?

The WITNESS. They are not all Catholics. I can tell you that only as a general rule the Catholics pay their priest through the company's officers. There are no charges that I know of made for ministers.

Q. No charge for other churchmen?—A. Not that I know of.

Q. About how many Poles, Hungarians, and Italians are there in the Lehigh region?—A. I calculated at the time the strike took place there was about 5,000 there.

Q. Of these three nationalities?—A. Yes, sir. The Hungarians predominated. They are fully half of the population in the Lehigh, and not so many Italians.

Q. Have those houses you spoke of the miners living in gardens attached to them?—A. A great many of them have, and the miners make their own garden.

Q. I understand you to say that the difference between the prices of coal in the Lehigh region and at tide water amounts to about a dollar; $4.24 at tide-water and $3.24, about, at the mines?—A. Yes, sir.

Q. According to your estimate, then, there was about a dollar freight on every ton charged by the railroad between the mine and tide water, and that the coal operator clears about a dollar on every ton and the railroad company about a dollar?—A. I have not said that the railroad company cleared a dollar.

Q. What proportion of coal mining is done in the Lehigh region by the Railroad and Navigation Company and by the individual operators or corporations other than the Railroad and Navigation Company. In other words, how much of the coal in the Lehigh system of mines is extracted by transportation companies, whether it be by water or by rail, and how much by other operators?—A. The transportation companies, I suppose, extract half of it.

Q. What do you say about some of the individual operators being stockholders in the coal mines and stockholders in the railroad or in the transportation company, whether it be by rail or by water?—A. I do not know that I have anything to say about that.

Q. You do not mean to charge that the mine operators are stockholders in the railroad and that the owners of the road are stockholders in the mines?—A. As individuals I suppose that some of them are.

Q. You do not think it is general?—A. I do not know.

Q. You think the interests are separate and distinct?—A. Individuals? Yes, sir. The Lehigh Valley Railroad Company and the Lehigh Coal Company own some coal lands in the Lehigh region that they let on contract for other people to mine. They get the royalty, or something of that kind, and the shipment on the coal extracted there.

Q. Do they show any preference for the lessees of their coal property over other coal operators?—A. I can not answer that question.

Q. You do not make that charge against them?—A. No, sir; I do not.

Q. When did I understand you to say you quit coal mining or having any connection with the Lehigh system of coal mining?—A. In February, 1885, was the last I worked in a mine there.

Q. And you have been in the employ of the Knights of Labor generally since?—A. No, sir.

Q. What is your business now?—A. I have not any business just now.

Q. Have you been a lecturer for the benefit of these strikers?—A. Yes, sir.

Q. Are you paid for doing that?—A. I am.

Q. How long have you been engaged in this business of traveling round and lecturing for them and canvassing for their benefit?—A. About two years; but I did not put in all that time. I got paid for coming to Washington, but the people who sent me paid me. I never had a permanent salary only during the period from January, 1887, up to September. As secretary of that organization I had $40 per month.

Q. In reply to a question put to you by Mr. Stone, I understood you to say that a miner working in the big vein could earn so much money a day or per ton if he could get cars. What do you mean by that? Are cars given to some operators in preference to others?—A. What I mean is this: When it becomes necessary under the combination system for operators to stock their mines as full as they can so that they can make their output in the shortest possible time. For instance, the Lehigh Valley had so much percentage of the whole output for the year It was arranged beforehand. They regulate the output for each individual operator, and then they get that output in the shortest space o time, and to do so it is necessary to have as many men as possible there to get it out.

Q. What about the cars? Would they have to stop work if they could not get cars?—A. He could not get as much coal out.

Q. Do you mean mine cars or railroad cars?—A. I mean mine cars. The miners can not get enough cars each day to make a fair day's wages.

Q. Why not?—A. As I stated at that time, the winter weather interferes with the running of the colliery, and the men do not get more than three or four cars a day sometimes, and it takes five or six to get an average day's labor.

Mr. CHIPMAN. Is that incidentally dependent upon the weather, or is it premeditated?

A. As to the weather it is incidentally to be sure. That has always been a source of more or less complaint in the mines. There are more men in the mine than are wanted for the output. It has been the case ever since the war. In good weather it would take, we will say, sixty or seventy miners in the mine to keep the breaker going; in bad weather one-half of that could do it; and then under the working of this inhibitive policy the mines were stopped, so that when they did work they could send out as much as possible.

By the CHAIRMAN:

Q. About how much mining is being carried on at this time in the Lehigh region?—A. I do not think it will exceed 150 cars a day.

Q. About how many laborers would it take to fill them?—A. It may take 300 breaker men and inside hands to do it.

Q. When you speak of 8,000 miners being idle, you mean men and women?—A. I mean workmen and boys.

Q. And that the number at work now is about 300?—A. That is the amount of coal shipped, I am almost positive.

Q. At what age are the boys supposed to go into the mine?—A. They are not supposed to go in until they are twelve. We have had a law on that subject, but they do, nevertheless.

Mr. ANDERSON. About how many days in the week would a miner ordinarily work under this arrangement to get as large an output as possible in as short a time as the operator could?

A. The average daily work the year before last in our district was, I think, two hundred and twenty days during the year—breaker-time. The miners work more than breaker time, for the reason that they can prepare coal. Especially is that the case in the good weather. If the breaker is idle a day or two days the miner can work a day, and he will have so much more on hand next day, and if he gets cars he can send out his coal. Here is an item from the Colliery Engineer for the whole of the anthracite region: "Average days worked in our district, two hundred and twenty one days for the year ending December 31, 1886."

Q. What are those figures you are reading from?—A. Report of the State inspector for that district for that year.

Q. Is it official?—A. Yes, sir.

Mr. PARKER. What do you call a day there? Is it made up by hours or tons?

The WITNESS. The contract miner pleases himself how many hours he works. I think in some mines he is required to stay in pretty late. In others he will come out about 1 o'clock. About eight hours is what a miner would work.

By the CHAIRMAN:

Q. Who else do you say he was assessed to pay besides the doctor and the preacher?—A. He pays the preacher as he sees fit. The people there are taxed at whatever their occupation is assessed at; a storekeeper so much, a clergymen so much, an engineer so much, and so on.

Q. That is a State, county, and township tax?—A. Yes, sir. For instance, I collected the road tax for 1885 and 1886. The miner's valuation was $100, and the levy for road purposes was 8 mills. So that the miner paid me 80 cents road tax.

By Mr. STONE:

Q. Do you think you are correct in saying that there are only 150 cars of coal coming out of the Lehigh region per day?—A. I think I am.

Q. How many cars were there coming out of that region before this strike?—A. That I can not answer. We have got some thirty-nine or forty collieries there, and they are of different capacity in output. Some collieries ship about 100 cars a day, some 75, and some over that.

Q. Do you think as many as 4,000?—A. I think so. Three thousand or 3,500.

Q. There are 300 men now doing full work and load 150 cars; at that rate 8,000 men would load 4,000 cars a day?—A. Yes; there are more men than that employed, though. There are altogether in that region, including that part running to Tamaqua and Schuylkill County, I should think, 2 ,000 men.

Q. Then they ought to load 11,000 cars per day?—A. Not so many as that. When I say 150 cars I mean railroad cars that hold all the way from 5 to 7 tons.

Q. How many railroad cars are now coming out of there a day?—A. About 150. There are three collieries running. The capacity of output is different at each colliery. Some collieries would employ more men and yet not put out as much coal.

By Mr. PARKER:

Q. Who ordered this strike?—A. The members of the two associations voted that the demand should be finally made, and instructed these gentlemen of the committee to carry it out.

Q. Who communicated that order to the miners at the different collieries?—A. It was communicated through the organization.

Q. They had notice in their meeting?—A. Yes, sir.

Q. And they took their tools out next morning?—A. They leave their tools there. They never take them out, and they are there yet.

Q. Next morning they did not go to work?—A. They did not go to work.

Q. And everything stopped?—A. Everything stopped.

TESTIMONY OF JOHN H. DAVIS.

JOHN H. DAVIS, sworn and examined.

By the CHAIRMAN:

Q. What is your full name?—A. John H. Davis.

Q. Where do you reside?—A. Mount Carmel, Northumberland County, Pa.

Q. Where were you born?—A. In South Wales, England.

Q. When did you come to this country?—A. In October, 1869.

Q. Where have you been living since?—A. At Mount Carmel, Northumberland County.

Q. What business have you been engaged in?—A. Miner.

Q. Coal and iron miner, or both?—A. Coal.

Q. What system have you been working in?—A. In the Schuykill.

Q. Have you been working in the coal mines belonging or supposed to belong to the Reading Railroad Company or to a private individual or to some other men or corporation?—A. I worked for individuals and I have worked for the Philadelphia and Reading—most of my time for the Philadelphia and Reading.

Q. Are you a married man?—A. Yes, sir; the father of eight children.

Q. When did these troubles between the Reading Railroad Company and the coal miners begin?—A. The trouble, you can say to make it short, started between the Reading Railroad Company and the miners since the first day of January of this year. As Mr. McGarvey said awhile ago, we presented that demand last August.

Q. What was that demand?—A. It was a demand of a schedule of wages. We wanted an increase in our wages, and we presented the demand in person. There were four of us made the demand on Mr. Whiting at Pottsville, and he said he would submit it to the receivers at Philadelphia, and whenever there was an answer he would notify me, being chairman of that committee, what the answer would be. I received this letter from Mr. Whiting, dated Pottsville, September 1:

[George de B. Keim, Stephen A. Caldwell, receivers of the Philadelphia and Reading Coal and Iron Company.]

POTTSVILLE, PA., *September 2, 1887.*

GENTLEMEN: Your circular dated August 17th, which was handed to me by a committee a few days since, has been presented by me to the president of this company, and I have been instructed by him to meet your committee for the purpose of discussing the matters referred to with a view to an amicable agreement. If you will name a day when you can conveniently meet me at Pottsville I will endeavor to meet you at the time you may name.

Very respectfully,

S. B. WHITING, *Gen. Man.*

Messrs. JOHN H. DAVIS, JAMES BRODERICK, M. J. SHIELDS, RICHARD THOMPSON, FRANK FERRELL, and M. B. SMITH,
Joint Committee of the K. of L., the M. and L. A. A., and the Eccentric Engineers Association.

Q. What was done after you received that letter?—A. Our committee waited on Mr. Whiting and discussed the question of wages, and after viewing the situation in the anthracite region and the position the company was in, we made a compromise on 8 per cent. with Mr. Whiting, as representative, as you see he had been instructed by the president to confer with this committee.

Q. Who was president?—A. Mr. Corbin.

Q. Mr. Corbin, then, at that time was president of the Coal and Iron Company as well as the railroad company?—A. As I understand it, sir.

Q. But the Reading Company was then in the hands of the receiver?—A. They were in the hands of a receiver.

Q. Is it generally understood and believed in all that region that the Reading Railroad Company likewise works the great bulk of the mines in the Schuylkill region?—A. That is the impression among the employés. While the investigation was going on, or as soon as we had this letter, the employés continued at work and left the matter in the hands of the committee and Mr. Whiting, and on the 11th of September this committee and Mr. Whiting came to an understanding. The committee drew up this agreement and presented it to Mr. Whiting. Mr. Whiting accepted this agreement, but would not sign his name to it until he had sent it on to Philadelphia to be approved by the receivers, stating in the mean time that——

Q. By the receivers of the Reading Railroad?—A. Yes, sir. No the conditions of this agreement are these——

Q. What did Mr. Whiting mean when he said he would not sign until he sent it down to Philadelphia, and until he had the approval the receivers?—A. The approval of the Philadelphia and Reading Coa and Iron Company.

Q. The Coal and Iron Company were also in the hands of a receiver then?—A. That is the way I understand it.

Q. Did Mr. Whiting finally sign it?—A. He did not sign it till the receivers ratified it.

Q. And then he signed it?—A. Not this agreement; there is where the trouble comes in. I will read you the agreement and show you th memorandum where Mr. Corbin relieves himself of this:

This agreement, made the 14th day of September, A. D. 1887, between Genera Manager S. B. Whiting and Mine Superintendent John Veith, for the Philadelphi and Reading Coal and Iron Company, and a subcommittee of the joint committe of the Knights of Labor, the Miners and Laborers' Amalgamated Association, and th Eccentric Engineers, of the Lehigh and lower anthracite coal regions, for the em ployés of the Philadelphia and Reading Coal and Iron Company above named:

Witnesseth, that for a period of four months from the —— day of September, A. D 1887, all employés of said Philadelphia and Reading Coal and Iron Company shall b paid an advance of 8 per cent. on the present basis and contract prices, which shal be the minimum, subject to advance with the advance in the price of coal above $2.5 per ton at Schuylkill Haven.

And it is also hereby agreed, by and between the parties above named for tho they represent, that where the said company are now paying more than contract basis prices for certain work because of extraordinary slate, rock, dirt, met, or faul that when any said work returns to the ordinary condition the company shall ha the right to reduce the price of such work to the average or basis price, or regul contract price, for like work.

And it is also further agreed that the agreement set forth shall not be binding the said Philadelphia and Reading Coal and Iron Company, providing a differe agreement for the payment of day's wages and contract prices by the leading inte ests and their employés competing in the same market be entered into.

Mr. Whiting then said that it was useless for all the committee come down there to get this agreement; that we had better select o or two. They selected me to go to Mr. Whiting after he had this agre ment. I called on Mr. Whiting on the 17th, and Mr. Whiting made memorandum of the agreement. I signed this. He made this mem randum:

[George DeB. Keim, Stephen A. Caldwell, receivers of the Philadelphia and Read Coal and Iron Company.]

Memorandum of an agreement, made at Pottsville, September 14, 1887, between S. Whiting, general manager of the Philadelphia and Reading Coal and Iron Co pany, and John H. Davis, chairman, and others, a joint committee representing miners, laborers, and other employés of the P. & R. C. & I. Co., now working der the $2.50 basis.

The P. & R. Coal and Iron Company are to raise the present schedule of ba prices for wages and contracts 8 per cent. from September 1, 1887, for four mont or until January 1, 1888, and this agreement is to terminate January 1, 1888. If settlement is made with the other companies before that time the P. & R. C. & Co. is to adopt whatever advance in basis rates is agreed upon by all the other com panies, or in case no agreement is reached by January 1, or the men return to wor at the former rates, then and in that case the P. & R. C. & I. Co. are to return to th payment of the $2.50 basis schedule of prices as paid up to September 1, 1887.

S. B. W.

POTTSVILLE, PA., *September* 17.

By Mr. ANDERSON:

Q. He did not sign his full name?—A. No. He signed this for me as a representative of the organization, and I signed one for him t keep. Later on, about two weeks prior to the expiration of this memorandum, Mr. Corbin gave out to the papers that they as a company will live by the agreement by paying the 8 per cent. and at the 1st of January, 1888, it would be time for the miners to live by their agreement, because they are to return to the $2.50 as they were before; whereas the only proviso made between the committee and Mr. Whiting was this: Mr. Whiting feared that if we would compel the Reading company to advance 8 per cent. and if the Lehigh operators succeeded it would be a disadvantage to the Reading company. We told the Reading company whenever an agreement would be entered into between the committee and Mr. Whiting, representing the Philadelphia and Reading Coal and Iron Company, if the Lehigh operators were successful, were victorious in crushing the men down and getting them to go in at their former prices, that then we would relinquish all demand on them and bring them on the same figures as before the agreement was made, so that we could give them a chance to compete in the same market with the other operators. Mr. Corbin knows that the company, until January 1, was in the hands of a receiver, Mr. Whiting stating that the receivers were to give up to the corporation on the 1st of January. That the company was going out of the hands of the receivers by January 1, hence that they could not make any agreement for any period beyond January 1, because they were going out of possession, and the company was to control, as heretofore.

We made this request of Mr. Corbin, to have that agreement for the 8 per cent. advance from January 1 until such time as the company would elect their officers—from the time it went out of the hands of the receivers until the 9th of that month. We would not know during that time who was in authority, and we wanted him to continue that after the 1st of the month until such time as they would be in a position to meet the committee and arrange with the company as to what was to govern us for a part or the whole of 1888. He refused to grant that agreement, and the men struck on the 1st of January. The Reading Company made an election on the 9th of January. Mr. Gowen had been president of both the Reading Railroad and the Coal and Iron Company, and when they went into the hands of the receivers it was the same way; but this time, the first time in the history of the company, it elected Mr. Corbin president of the railroad and Mr. George DeB. Keim president of the Coal and Iron Company. We made our request on the president of the company thus: The minute we saw Mr. Keim was elected president of the Coal and Iron Company we sent down and made a demand on Mr. Keim. He acknowledged receipt of the dispatch, and stated that the whole matter as to the miners had been submitted or transferred to Pottsville to Mr. Whiting. Since that we have offered to arbitrate the case, and we have done everything that we could to get it arbitrated. It was on the 10th of January that we sent this dispatch to Mr. Keim. I have not got the dispatch now, but we will produce the original and the answer.

Q. What was the difference, as you understand it, between this agreement which your committee presented to Mr. Whiting and this memorandum which Mr. Whiting accepted?—A. It did not make any difference at all. It covered the ground. You see right here where this agreement calls for "subject to advance with the advance in the price of coal above $2.50" per ton rate of 33⅓ per cent. You do not see anything of that mentioned in the memorandum. At the same time they did pay 33⅓ per cent. above the $2.50 basis at Schuylkill Haven above the 8 per cent. The 8 per cent. was the advanced basis, and subject to this 33⅓ per cent.

above the $2.50 basis at Schuylkill Haven. The first was 4 per cent., and the second was 12 per cent., and the third was 7 per cent. above the 8 per cent.

Q. But at the same time the agreement to do that was not included in this memorandum?—A. It did not include it in here. Mr. Whiting told us this, that he had omitted something from the memorandum there for fear the Lehigh operators would take advantage of it, and it would be detrimental to the interests of the company. So he omitted that, and also requested them that they should never let this memorandum see daylight. No man had ever seen this agreement, because it was the understanding between Mr. Whiting and us that they should keep it in secret; only that the men were to have the benefit of the 8 per cent. and whatever the percentage would be above $2.50 at Schuylkill Haven. We agreed to keep this in secret in order that the company would be protected from any other outside influences there, but Mr. Corbin came out in the papers and gave the whole memorandum, and gave his version, that the memorandum, being signed by the chairman of the joint committee, held the miners responsible to return to work on the 1st of January on the $2.50 basis, whereas there was no understanding between Mr. Whiting and the committee, but everything terminated January 1, 1888.

Q. Were you under the impression that the article terminating that agreement to advance wages for four months was limited to January 1 because of the fact that the property was to change hands and go from the hands of the receiver?—A. We wanted that agreement to continue for six or eight months, but Mr. Whiting said that they could not do so, and could not have it go beyond the 1st of January, because the company was going out of the hands of the receivers. You see this agreement is dated the 14th of September. He agrees to pay it from the 1st of September. Mr. Whiting offered to go back to the 1st of September after we asked him to continue it until the 14th of January to make up the actual four months. He said that beyond January 1 he could not do anything with it. Mr. Veith said the books were in already, and he could not go back to the 1st of Septemtember, so that we contended that if they could not go back they should go on to the 14th of January. Finally Mr. Veith said the books are not closed until the 15th, and this is only the 14th, and we will pay it, and pay it as an advance above the $2.50 basis, and we agreed to do it that way. If Mr. Corbin can see where we are responsible to take it on that basis after the 1st of January I would like him to show it.

We made a request on Mr. Whiting on Friday, December 30, that we would want him to continue this agreement indefinitely until such time as the company would send a committee to meet us—to continue it until the company had got into new hands—and requested Mr. Whiting to give us an answer. I received a letter from Mr. Whiting on Saturday morning following, stating that he had forwarded it to Mr. Corbin at the Fourth street office, Philadelphia, and that he might probably communicate with me after he received a reply from there. The same day that we received the letter from Mr. Whiting, and when we were waiting for the news as to whether we were to negotiate, Mr. Corbin came out in a circular to the miners, in which he gave the agreement and omitted the most important point in this memorandum in that circular—that this agreement terminates January 1, 1888.

Q. Did he omit that?—A. He did. Soon after that I called the attention of the public to that fact, when he was forced to send out the memorandum a second time, and he inserted that. We had published the whole agreement in full and circulated it as an answer to his circular.

I went to Philadelphia on the 10th of January last, and through some negotiations between Mr. Childs and Mr. Drexel tried to effect a compromise between Mr. Corbin and the miners. We sent a paper to Mr. Corbin stating that we would like to have a conference, and we have never had a conference, and I have never received an answer yet.

Q. Had Mr. Childs addressed a letter to your committee and Mr. Drexel?—A. No, sir; he did it through Mr. Joel Cook, his financial secretary.

Q. Whose financial secretary?—A. Mr. Childs's, as I understand.

Q. What became of that attempt at negotiation?—A. We prepared that paper through Mr. Joel Cook and we never have received a reply. Nothing ever came from it.

Q. Do you know the ground Mr. Corbin took and what he said?—A. We had no reply to that.

Q. Then what followed that failure to get a compromise on that visit to Philadelphia?—A. Nothing has followed since, as far as the company is concerned; but we have tried for a conference.

Q. The miners all quit work then?—A. They had all quit work. This was on the 10th of January, and the miners quit on the 1st.

Q. Did they quit or had the Coal and Iron Company locked them out?—A. It was understood that unless the company agreed to continue this agreement they would go out.

Q. Who gave the order for that strike?—A. Themselves.

Q. What officer—what man gave it?—A. The joint committee representing the three different organizations.

Q. Can you get and give us the names?—A. I am chairman, and there were Robert Maggs, Hugh McGarvey, Henry Davie, Ivor D. Jones, Frank Terrell, Ira T. Davis, P. T. Brennan, Robert Snedden, James Broderick, W. T. Little, M. J. Shields, P. J. Lannom, Richard Thompson, J. J. Fitzpatrick, Martin Purcell, and M. F. Kane.

Q. How were the members of that committee made up?—A. It is made up by the executive boards of the different organizations.

Q. Of Knights of Labor?—A. Of Knights of Labor and Amalgamated Miners and Mine Laborers of the Schuylkill and Lehigh regions.

Q. Then some members of this committee, who gave the order for that strike, live in the Lehigh region?—A They comprise Northumberland, Columbia, Schuylkill, Carbon, and Lehigh and lower Luzerne.

Q. I understand you then to say that this committee had representatives of the entire Lehigh coal region as well as the Schuylkill region. Am I correct?—A. Not altogether.

Q. What portion of the Amalgamated Miners and Knights of Labor in either of these regions were not represented on this committee?—A. Let me explain that matter thoroughly so that you may understand it better. In last August, while the miners of these regions had elected this joint committee representing the different bodies of the organizations to draw up and perfect a schedule of wages, the committee did it. When the committee completed their work they sent a committee to their respective bodies stating that they had completed a schedule of wages and were ready, and the question was now, should the committee make the demand, and if so the different respective bodies would take a vote, and send that vote in to this committee, and if the majority was to make the demand for them to say so. The votes came in and were counted in the majority by the thousands to make the demand. All the committee had to do then was to go and make the demand according

to the instructions from their constituents; and all we had to do the
was to notify them whether the demand was complied with or rejecte
and if rejected they were to put down their tools without they shoul
be notified by the committee to continue at work. After we receive
this letter from Mr. Whiting stating that he had agreed to meet t
committee the men kept on working pending that settlement betwee
the committee and the Reading Company, while those that did not g
an answer that their case would be arbitrated or anything at all sh
down.

Q. Now you say, as I understand it, that the miners themselves too
a vote?—A. Yes, sir.

Q. And virtually instructed this committee to order the strike?—A
Yes, sir.

Q. What proportion of what section of the miners of the Lehigh r
gion and the Schuylkill region were not represented on this commi
tee?—A. There were two members of the Lehigh region on this co
mittee that has been read over to you; but as to the action taken o
the 1st of January, you understand, the matter was left entirely to th
committee belonging to the lower anthracite region, because the Lehig
was on strike already, and they did not take a vote, neither one, a
it was left only to the committee that embraces Schuylkill, Northu
berland, and Columbia. Carbon and Lehigh had been out since t
10th of September last.

Q. What business have you been engaged in for the last two or th
years; were you a laborer in the mines when this strike occurred?—
Which strike do you mean?

Q. In September, or the 1st of January.—A. I was working in t
mines in September.

Q. Were you when this strike was ordered?—A. Yes, sir; I wa
miner in the mines.

Q. What have you been doing since Christmas?—A. I have b
idle since Christmas.

Q. Have you been canvassing for the strikers?—A. No, sir; I h
been doing this much: I was sent out with a committee, while I w
working, to go and solicit aid. I was working while this strike w
going on in September, and while the Reading Company and the co
mittee were arranging this matter, and when the compromise was ma
being chairman of the committee I was selected with another memb
of the committee to go round to the different individual operators
have them sign an agreement stating that they were willing to be go
erned by the arrangement that would be made with the P. & R.
and I. Co., and it took us a great deal of time to get them all to sig
this agreement that they would pay 8 per cent. advance.

Q. Have you been paid wages for that?—A. When I was day offic
I was paid, but not a salary.

Q. What pay have you been getting while working for the strikers?—
A. I was four days out, and I received $2 a day and my expenses.

Q. How much did you make a month coal-mining?—A. Sometime
I would make $25 a month and sometimes $30.

Q. Take the year through and one year with another for some year
past.—A. That I do not know, gentlemen.

Q. You can give us a general estimate?—A. Put it at $30 a mont
A dollar a day on an average. The situation is this: To-day you ca
go into a mine and make $3 a day; to-morrow you can go in and you d
not make a dollar a day.

Q. What proportion of the mines in the Schuylkill region are no operating other than the mines of the Reading system, and then the Reading system?—A. The Miansee Mining Company, Shamokin, two collieries; the Union Coal Company has three, between Shamokin and Mount Carmel; there are two or three individuals in Mount Carmel; then coming up the valley there are five others, in all, outside the P. & R. C. and I. Co.—twenty-four to twenty-five mines working to day with the 8 per cent. advance with the percentage above, with coal on the $2.50 basis at Schuylkill Haven. That was in effect from September 1 to December 31, with the exception of the Minerva Mining Company.

Q. About what proportion of mines of the entire mines in the Schuylkill system are now idle?—A. You can see that you can not say what number, because there are some collieries they work now and then leave them idle for repairs. You may say thirty collieries to thirty-five collieries in the Reading system. There is not one colliery working in Schuylkill, Northumberland, or Columbia that belongs to the Coal and Iron Company.

Q. What is the falling off in the output of coal mined now compared with that mined, say in December, in the Schuylkill region?—A. I do not remember now; but I can get you the figures and furnish them to you.

Q. Can you give us some approximation?—A. No, sir. That is a very difficult question to answer. Say you are an individual, and you are working to-day, while all the other collieries are not working; if the other collieries are idle you will employ more hands and ship more coal.

Q. What about the distress among the miners?—A. The distress is not as bad in the Schuylkill region as in the Lehigh, because we have only been out since the first of January, and the Lehigh men have been out since the 10th of September last.

Q. Is it an impression among the miners that the Philadelphia and Reading Coal and Iron Company is a part of the property of the Philadelphia and Reading Railroad Company, substantially?—A. The impression is that way; but whether that is so or not I do not know.

Q. When the information was communicated by your committee was it done by letter to Mr. Whiting that you desired to continue under the former agreement, or was it by telegram?—A. In September last, you mean?

Q. I was referring to December 30.—A. The committee made a final demand on Mr. Whiting on that Friday.

Q. There was no question of delayed telegrams on the part of the miners?—A. No, sir.

By the CHAIRMAN:

Q. How many miners are now idle in the Schuylkill region?—A. The Reading Company employed somewhere about 20,000.

Q. In mining, or in mining and on the railroad jointly?—A. In mining.

Q. All these are idle, or nearly so?—A. Well, there are some working there. They have got to doing some dead work, and there is some little mining.

Q. What proportion of the individual mines owned by other corporations than the Reading Company are idle?—A. That is a pretty hard question to answer.

Q. I understood you to say that twenty or thirty individual mines had gone to work?—A. We can not tell what the individual capacities are in employing men.

Q. About how many individual mines or mines owned by corporations other than the Reading Iron and Coal Company are idle?— There are very few.

Q. Generally all at work except the Reading?—A. On Friday las think there were twenty-five. I have not got the list of the different dividuals working that have signed the agreement with their employés continue this agreement that was made in September 1st and to contin to December 31st until the Reading Company and their employés sh settle; and whatever they will settle that will govern the individu hereafter.

Q. How many of these mines resumed work?—A. Some were nev idle a day.

Q. What number kept on, or how many would you say acceded to t last demand?—A. They started off and have continued to sign t agreement. This is a colliery in Saint Clair that never signed any un this week.

Q. Does the railroad company transport the coal of these individu readily and furnish them the cars?—A. Yes, sir; I do not know of a case of them refusing cars.

Q. So they are only doing nothing with their own mines?—A. Th want the men to go back to the original basis of $2.50. The men refus to go; hence their collieries are idle.

Q. Nearly all the other collieries are at work in the Schuylkill region? A. Yes, sir.

By Mr. STONE:

Q. You began work in the mines of Pennsylvania in 1869?—A. Y sir.

Q. And have been engaged in the mines ever since?—A. Yes, sir.

Q. How much did you get per ton for coal mined in 1869 and 1870, along there?—A. I did not work by the ton. I was working by t yard on the pitching breast. The breast was 8 yards wide, the fa about 13 feet thick, and got then on the basis $8 a yard. That w the $3 basis that was in existence at that time. In the same collie to-day we work, and instead of the breast being 8 feet they work th from 12 to 15 feet, and get from $4.50 to $5 a yard for the same thi ness of coal.

Q. What did you get a yard for the work you did in 1869 and 1870? A. Eight dollars a yard; 80 yards wide, out and out, and you got $8 i it. Driving a yard square, you worked on this side and your bu worked on this side [indicating].

Q. You got $8 a yard. How much do you get at this time for t same work?—A. From $4.50 to $5.

Q. What did they get by the ton in 1869?—A. We do not work the ton at all in the Schuylkill region, we work either by the wagon by the yard.

Q. Then the compensation which the employé receives now is ab half as much as he received in 1869 and 1870?—A. Not altogether th You understand you may look at it in this way. I might tell you th in 1875 a certain wagon was 72 cents a car. You will ask how mu do you get for it to-day. I will answer, 72 cents. Then you will s you have had no reduction, you get the same pay as you got then; b it is a reduction, because the wagon has grown tremendously since th

Q. When you mine what you call a yard of coal now do you me more coal than you mined when you mined a yard of coal in 1869?— You are working a breast of say 8 yards wide; then you would get for the yard at that time. Now in place of 8 yards it varies from p ps 12 to 15, and it takes you nearly twice the time to make your 8 yards. It nearly doubles it.

Q. Do you not get double pay?—A. No, sir; you only get $4.50 to a yard.

The CHAIRMAN. What is the difference in the amount of coal now required to fill a wagon from what it was then?

The WITNESS. It will take from 1,500 to a ton more. In some places it takes more than that. Wagons vary in sizes. Some hold 2 tons. Where they are working by the wagon they generally grow, but when you are working by the yard the yard grows.

Q. About how much have they grown?—A. It is hard to answer, and can not answer it and do the subject justice.

Q. Do you think it has grown one-fourth and requires that much more labor to fill a wagon than it used to?—A. One thing is this, if you can only pay a visit to our region as a committee, then we would take you down to the mines and we would show you. Then you could see for yourselves. And if we would tell you to come to a place where the wagon reaches nearly to the top, and you can see it, and where the wagons were put in a certain shape and you can put in a prop on top of any wagon the wagon was so high that the prop would strike and you could not get it through. Now, then, either the wagon must have grown or else the bottom and top are coming a great deal closer than they did. They say the wagon has not grown, because the wheels are no higher.

Mr. STONE. Do you now work 13 yards for $4.50 and $5 where you worked 8 yards for $8 in 1869?

The WITNESS. Yes, sir.

Q. In other words, you do 50 per cent. more work for 50 per cent. less pay, approximately?—A. Yes, sir.

Q. Under the present wage system in vogue in the Schuylkill region how much are you or any other miner able to earn, per month, on an average? A. It depends on what colliery you work in.

Q. In this Reading system?—A. Even in the Reading system it depends upon the colliery you work in. If you see one bituminous mine you come to the conclusion that you have seen them all; but all anthracite mines differ. It all depends upon the colliery you work in. In these fiery collieries that are working on a pitch where the pitch is so heavy and the gas is so great that a man can not stand it they can not earn a great deal more money than you could in a nice, clear, 6 foot vein, where you have to take your wagon in.

Q. In the colliery where you worked how much could you do?—A. You could load seven cars a day sometimes, at 70 cents a wagon. The wagon would average from 2¼ to 2½ tons. You could load seven, but it was a very hard shift, and a man would more often load six, and as many times you would load five—two men loading.

Q. Would you get 70 cents a wagon?—A. Yes, sir.

Q. That would be a little over $2 a day to the man?—A. Yes. Then take out the cost of powder, and oil, and your tools.

The CHAIRMAN. Do you furnish yourselves?—A. Furnish everything ourselves. Sometimes you will make $25; sometimes $35 or $40, and sometimes go to $50, but it is very seldom a man could go to $60 unless it is gangway.

Mr. STONE. Then $35 is the average miner's earnings?

The WITNESS. I will give it at that, because I would rather be a little high than low.

Q. Do you rent a house?—A. I do.

Q. Do you own a house?—A. No, sir.

Q. What rent do you pay?—A. I pay $7.50 per month.

Q. What sort of a house is it?—A. Flat roofed house, with three room upstairs and three down.

Q. Who owns the house?—A. It is a man named Johnson, that keep a store there—a private individual. There are no company houses i our town.

Q. How much will it cost an average miner to live with a family o four children?—A. That is a very hard question to answer, too. Tha is an average you can not make square on and off.

Q. How much after the support of your family can you save?—A That depends on what you mean by support.

Q. Taking care of them?—A. I have not got enough money to d that.

The CHAIRMAN. Your children go to school at the expense of th State?

A. Only for books.

Q. The government furnishes teachers?—A. Yes, sir.

Q. And furnishes the building?—A. Only we are paying it on wha we call the school tax. Every year my tax for school is a dollar.

Mr. STONE. Can you form an estimate from any intelligent information you have of what the operator makes on a ton of coal?

The WITNESS. That is a very hard question to answer.

Q. How do you know, then, about what the operator is doing?— You can see he is becoming rich. He tells us we can not have fa horses because the price of coal will not warrant it.

Q. Have you ever investigated it to see if the price of coal will justify high wages?—A. How are you going to get at it? All we kno on our side we are willing to give you. We can not tell you what t operator gets clear profit on a ton of coal, and then you ask me t prove it.

The CHAIRMAN. Does he make $1?

The WITNESS. They are paying, by their way of living; they ca have their fast horses and live in the country, and still put money in th bank. How is it that Mr. Pardee, as I understand that he is good fo $47,000,000, and thirty-five years ago he was not worth a dollar.

By Mr. STONE:

Q. Did he make it mining coal?—A. Not altogether, but he has mad the bulk there. An operator says the Reading Company refused to giv us 8 per cent., and he says he can not only give that 8, but says: I ca give 45 per cent. on that. That is Superintendent William Lewis, o William Penn colliery, Shenandoah. I am only giving what he has bee quoted as saying.

Q. Do you know of any means by which we can ascertain the profi made by the company?—A. By the company furnishing their books.

Q. Any other way?—A. I do not see any other way; I do not kno any other way.

Q. You demanded 8 per cent. on your wages and got it. You wante it continued and it was refused, and there was a strike begun and i now being continued. Why does not this Reading Iron and Coal Company get other men to go into their mines?—A. I do not know.

Q. Is there any reason why they can not?—A. I do not believe the can get them; there are no men to be got.

Q. Would the striking miners permit them to go to work if the did?—A. No, sir.

Q. There has been some rioting. Is that in the Schuylkill region?—

I saw none of that. I can not tell you beyond what was in the papers.

Q. What effect has this strike had upon the transportation of coal out of the Schuylkill region?—A. It has had a bad effect upon it.

Q. Then it retards transportation?—A. Certainly, because all these collieries are idle.

Q. Is there any interruption in the carrying of the coal that is mined there?—A. No, sir.

Q. Is the Reading Railroad Company furnishing all the cars necessary to carry out the coal which is now being mined?—A. As I understand it: I do not know of a case that has been refused.

Q. How is the Reading Railroad Company operating its train?—A. By men that they have got from other places.

Q. Are the railroad men on a strike too?—A. The railroad men are on a strike too.

Q. Are these new men that they have competent?—A. They are new men.

Q. Then there is no interruption of the traffic business of that company?—A. No, sir. That is a matter in which I have heard of nothing being done.

Q. Are they transporting freights along as usual?—A. Delivering all the freight they can get with the kind of hands they had. They have not got men enough hired to work their cars. You can go to Palo Alto to-day and you will see a great many locomotives covered with snow because there is no demand for them. The company says the railroad is going on as well to-day as ever, but I can not see how this is so.

By the CHAIRMAN:

Q. You said to me awhile ago that all the coal mined by these private operators and corporations, other than the Reading, was being sent away by the Reading Railway Company.—A. Yes, sir; unless a few that go on the other railroads. There are three railroads—the Lehigh Valley road, the Pennsylvania, and the Northern Central all go in there.

Q. What about the canal?—A. I think there is no shipment now, as navigation has closed. It is practically at a standstill on the Reading, although trains still may be going.

Q. You say that in your region of country they are furnishing all the cars needed?—A. The Reading will give you all the cars you want. If you are an individual they will. If you ship over the Pennsylvania it goes over the Pennsylvania; if you are shipping over the Lehigh it goes over the Lehigh, but if you demand it from the P. and R. Company they will certainly furnish you all the cars you want.

By Mr. PARKER:

Q. Is the contention between the strikers and Mr. Corbin and the railroad men upon the strike as it is, upon the last portion of this agreement of September 17?—A. Mr. Corbin fortifies himself and bases his refusal to grant the 8 per cent. by stating that we signed that paper to return to the $2.50 basis on the first of January.

Q. Then he claims that you should be bound literally by the last line of this agreement of September 17, while you claim that you have a right to be governed by an understanding that existed between you and him outside of that agreement?—A. Yes, sir; that agreement, as I said before, was this: Mr. Whiting stated that the company was going out of the hands of the receivers by January 1; that he as the representative of the receivers at the time could not sign any agreement binding on any body beyond January 1. Then we considered if Mr. Whiting or th receiver could not bind themselves beyond January 1, how can Mr Corbin now come in under a new system and claim that though w signed for them they could not sign for us?

Q. But here you sign an agreement and he signs an agreement which substantially provides that unless the other strikes are adjusted by January 1 the old rates shall be adopted. Is that as you understand th agreement?—A. No, sir; I never understood that to be to return to th $2.50 basis any more than leaving the company in the same position t compete with other companies in the market if the Lehigh men shoul not succeed.

Q. You claim that it was understood that it should not be bindin upon you?—A. No; it should not be binding.

By the CHAIRMAN:

Q. Was coal as high or was it higher on the 1st of January whe this strike occurred than it was the 1st of September, when this agre ment was entered into?—A. I believe it was.

Q. Would the Reading Company have lost money by continuing thi contract?—A. No, sir; I do not believe they would.

Q. Was coal higher on the 1st of January than it was on the 1st c September?—A. I believe so; but it is this way, Mr. Chairman: It i a very hard matter for us as miners to-day to tell really what is the pric of coal. We believe to-day that the company was in a better positio to pay the 8 per cent. on the first of this year than when they consente at the end of August last; and to prove that, I have this to say: Tha while the individuals to-day are paying 20 per cent. over and above th $2.50 basis, why, then, can not the Reading Company pay the 8 pe cent., and if the percentage did not come to us out of the coal sold a Schuylkill Haven, then we did not want it.

Mr. STONE. What is the ground of your complaint to-day?

The WITNESS. Between us and the P. & R. The only ground tha we have is for them to give that 8 per cent., and 33⅓ per cent. if coa will advance above the $2.50 at Schuylkill Haven. That is all we ask— is all our grievance.

Mr. ANDERSON. Simply continues the agreement entered upon i September.

The following telegram was ordered to be made a part of the record

PHILADELPHIA, PA.,
February 11, 1888.

To JOHN P. LEEDOM, *Sergeant-at-Arms, Washington, D. C.*:

Mr. Austin Corbin is in New York ill and confined to his house. I have forwarde your message to him at New York.

GEORGE R. KAERCHER,
General Counsel.

TESTIMONY OF AUSTIN CORBIN.

PHILADELPHIA, *February* 15, 1888.

AUSTIN CORBIN, being duly affirmed, testified as follows:

By the CHAIRMAN:

Mr. Corbin, as you have doubtless seen by the press, this specia committee of the House of Representatives has been ordered to i vestigate the strikes or lockouts in the Schuylkill and Lehigh Va ley regions, both with reference to the strike on the Philadelphia an

Reading Railroad Company and in the Philadelphia and Reading Coal and Iron Company's mines, not only generally, but especially with reference to the charge which has been made that the Philadelphia and Reading Railroad Company has failed to do its duty as a common carrier of interstate commerce. The committee has already examined some of the friends of the striking miners, and to-day proposes to hear the other side of the story from the officers of the Philadelphia and Reading Railroad Company and of the Philadelphia and Reading Coal and Iron Company.

Q. Where were you born?--A. At Newport, N. H.

Q. How old are you?—A. I am sixty years old.

Q How long have you been engaged in the railroad business?—A. About twelve or thirteen years.

Q. How long have you been engaged in the coal-mining business?—A. A little over a year. I have been connected with this company a little over a year. I never had anything to do with the mining company before.

Q. How long have you been connected with the Philadelphia and Reading Railroad Company?—A. I was appointed receiver, I think it was on the 5th of October, 1886. I can not be positive about the date.

Q. The company got into financial difficulties and passed into the hands of receivers, I believe?—A. Yes, sir; it was in the hands of receivers when I came to it.

Q. You were one of the receivers?—A. Yes; I was appointed one of the receivers.

Q. I believe the company has lately gone out of the hands of the receivers?—A. Yes, sir; the receivers were discharged and the property was turned over to the company on the 2d of January last.

Q. Did you have any colleagues in the receivership?—A. Yes; two others.

Q. Are you an officer in other corporations besides being president of the Philadelphia and Reading Railroad Company and being connected with the Philadelphia and Reading Coal and Iron Company?—A. I am.

Q. Please tell us with what other corporations you are connected?—A. The other corporations I am in are: I am president of the Long Island Railroad; the Indiana, Bloomington and Western Railroad; and also the Elmira, Courtland and Northern Railroad in the State of New York.

Q. How many separate railroad syndicates or systems of railroads are you president of; and give us, please, about the aggregate of mileage of each?—A. The four I named are the only ones. In the Philadelphia and Reading system there are between 1,600 and 1,700 miles; I should say about 1,700 miles.

Q. Is the Reading system confined to the anthracite region?—A. It is largely in the State of Pennsylvania and made up of various branches, containing in the entire system about 1,700 miles. In the Indiana, Bloomington and Western Railroad there are, according to the reorganization, about 400 miles. The Long Island Railroad has, I think, in round numbers, 374 miles; and the Elmira, Cortland and Northern Railroad has 140 miles.

Q. Making a total of about how much?—A. Well, seventeen and four are twenty-one and four is twenty-five and two is twenty seven; making something like 2,700 miles.

Q. What are these roads generally estimated to be worth in the aggregate, or, if you choose to put it in another form, about how much stock have these roads?—A. I should have to give it approximately.

Q. That is all we desire.—A. Well, I will have to capitalize—is it the capital or debt you want?

Q. Well, both, if you can state them separately?—A. I could not, perhaps, give them to you, but if you will leave that behind I could give it accurately from Poor's Manual of Railroads. I could take it from Poor's Manual, which is the standard railroad authority, and I could give you the exact mileage and the exact capital and bonds.

Q. I was only asking these questions in a general sort of way. W will come back specially to the Philadelphia and Reading Railroad What is the Reading system of railroads estimated to be worth; how much stock?—A. Forty million dollars' worth of stock.

Q. About what is the debt of the Reading system of railroads?—A Well, I can not give you that. If you will allow me I can file with yo later an exact statement of that, but I could not give it from recollection I will furnish you any statistics of that kind you desire if you give us day's time.

Q. What connection have you with the Philadelphia and Reading Co and Iron Company?—A. I am a director in that company.

Q. You are not an officer in it?—A. No, sir.

Q. You were formerly an officer in it?—A. I was president of it la year.

Q. Why did you give up the presidency?—A. Because it was a c poration that required the personal attention and supervision of so one who understood the business better than I did, and Mr. Keim, w was one of the receivers and who is considered to be as well posted regard to the coal lands and business as anybody in connection with t Philadelphia and Reading Railroad Company, and so it was agreed the owners that it would be a very good plan to let Mr. Keim ha charge of that business, which never had any special attention befor and so it was put in his hands for that reason.

Q. In connection with the railroad and mining company are you no connected with an association which loans money in the West and Sout on wheat farms and cotton plantations?—A. No, sir.

Q. There is an Austin Corbin engaged in that business?—A. We d a large business in loaning money West and South, but I am not a officer in any of these loan associations.

Q. Is this an individual loan association?—A. No, sir; it is a banking company. We do a large business of that kind.

Q. That you are president of?—A. Yes, sir.

Q. How many millions have you in that business?—A. I should have to guess at that. I suppose we had invested West and South something like $15,000,000. We simply negotiate loans with people abroad and here.

Q. Please tell the committee about how much stock in the Reading Coal and Iron Company is owned by the Philadelphia and Reading Railroad Company, if any.—A. It is all owned by the Philadelphia and Reading Railroad Company.

Q. The whole of the coal and iron company?—A. Every share of it

Mr. STONE. Is it owned by the Philadelphia and Reading Railroad Company as a corporation?

The WITNESS. Yes, sir.

Mr. CHIPMAN. That is the stock?

The WITNESS. Yes; the Philadelphia and Reading Coal and Iro Company is owned by the Philadelphia and Reading Railroad Company, every share of it.

The CHAIRMAN. Please tell us about what amount of stock of th coal and iron company belongs to the Philadelphia and Reading Railroad Company?

The WITNESS. The capital stock is $8,000,000. That is owned by the Philadelphia and Reading Railroad Company. Then there are divisional mortgage bonds on the property to the amount of—I can not give you that, but I will give it to you if you will leave a blank.

Q. Let us understand what you mean by mortgage bonds; were they given for purchase money of lands?—A. Yes, sir; all for purchase-money.

Q. Did not the coal and iron lands of the Philadelphia and Reading Coal and Iron Company cost more than $8,000,000?—A. Oh, yes; I say there is $8,000,000 capital which has been invested, and then there are debts against the company known as divisional coal-land mortgages, which is additional, but that amount I shall, however, endeavor to give you accurately later. Then there has been some cash put in besides, which I could not give you exactly without referring to the books.

Q. About how many acres of coal and iron lands are there in the Reading Coal and Iron Company belonging to the Philadelphia and Reading Railroad Company?—A. That I should like to give you from the books.

Q. Were these coal and iron lands developed when the Reading Railroad Company purchased them, or has the railroad company done most of the developing since the purchase?—A. I think you had better let Mr. Whiting, who will come later, tell you, because he has been connected with the mines for over eleven years. He can give you these facts better than I can. He knows all about it.

Q. Do any of the branches purchased or leased of the Philadelphia and Reading Railroad Company proper run beyond the limits of the State of Pennsylvania?—A. I think the Bound Brook Railroad extends to New Jersey. We have a leased line on the other side of the Susquehanna. That is the only one.

Q. Extending east to what point?—A. To Bound Brook, in New Jersey. It is what is known as the Bound Brook New York route.

Q. Have you not a connection that extends to Buffalo and the lakes?—A. No, sir.

Q. Have you not one reaching to Pittsburgh and some points on the Allegheny and Monongahela?—A. No, sir.

Q. None reaching south?—A. No, sir; none out of the State.

Q. Well, you did have before your late re-organization, did you not?—A. No, sir; I think not. I think the Jersey Central was the only one we had.

Q. Did your company not fail to pay the interest on a debt which it had contracted to pay the New Jersey Central and had to give it up?—A. Yes, sir; it did fail to pay that; not only that but a good many others.

Q. You have not that connection now?—A. We have not since the 1st of January, 1887. We surrendered that road.

Q. Please tell us why you surrendered it.—A. Because we went into insolvency and could not pay.

Q. Did that have any connection with the decision of the Supreme Court of the United States in a lawsuit reported in 15 Wallace, in which the former president, Mr. Gowen, took the ground that the State of Pennsylvania had no right to tax the company, because it was an inter-state commerce corporation?—A. No, sir; it had nothing to do with it. We gave it up because we could not afford to keep it.

Mr. **ANDERSON**. Is that the line referred to in Poor's Manual, on pa 274, where it states that the New York Central and Hudson Riv Railroad Company and others entered into a contract for 900 years, pr viding for an interchange of through and local traffic and the form tion of a through line between Philadelphia and Buffalo?

The **WITNESS**. That was a traffic contract made with other roads.

Q. Is that contract still in existence?—A. It is in existence with good many of these companies, but exactly how far I can not tell. wish you to understand that we do not own anything in these road It was merely a traffic contract entered into between the various co porations, our road being one.

The **CHAIRMAN**. So it does not control them?

The **WITNESS**. No, sir.

Mr. **CHIPMAN**. I would like to suggest to Mr. Corbin that we shoul desire to understand and know all about these other roads outside Pennsylvania. Of course that comes plainly and fully within the sco of this investigation.

The **WITNESS**. I shall be pleased to give any information in rega to anything you want, but I should like to say this, that in regard these traffic contracts and the substance of them, you will have to gi me a little time; as it is hardly possible for me to give you these fa from recollection.

By the **CHAIRMAN**:

Q. Now please tell us what water connections the Philadelphia a Reading Railroad Company has for carrying on commerce outside of t State?—A. Well, I should like to have you give me time to answer tha

Q. You own some boats?—A. We do not own anything ourselv personally. We have been lessees of the Schuylkill Navigation an Susquehanna Canal Company, and thus as lessees we have had the v rious equipments, but we are not operating them to any considerab extent just now.

Q. As a consequence of the strike?—A. No, sir.

Q. What amount of river transportation and ocean transportatio from Elizabethport have you to other ports?—A. We carry coal by bo to various points in New York and New Jersey, and to points in Ne England. We have colliers moving the coal. We do our own busines and we do not carry coal for anybody else. What transportation bus ness we do in that line is the transportation of our own coal.

Q. You do transport your coal outside of the State both by rail a by water?—A. Yes, sir. We deliver it to other roads who transpo it for us, but we do our own transportation and we do not transpo coal for anybody else but ourselves by water. We transport the Co and Iron Company's coal to different points with our own boats, but v do not transport the coal of other people. We do not hold ourselves o as common carriers in that respect.

Mr. **ANDERSON**. I understand, Mr. Corbin, that to mean all pertai ing to steam-vessels?

A. Yes, sir; and the floats we carry our coal in.

By the **CHAIRMAN**:

Q. Is not antharcite coal higher now than it was two or three mont ago?—A. Yes, sir.

Q. About how much higher is it per ton?—A. Mr. Whiting will gi you the exact figures for the months of January and December. V probably could give all the figures, but I could not easily approxima it. We have been out of the coal trade almost for the last six weeks.

Q. Will you please tell the committee why you have been out of the coal trade?—A. Because we have got nobody to mine the coal for us.

Q. Did you make any efforts to do so?—A. We did everything we could.

Q. When did you cease to mine coal?—A. Well, we have been more or less out of it for six or seven weeks. The general operations of the company have been small in the way of mining for that period. The miners went out.

Q. Why did the miners go out?—A. Because we did not pay the amount of money which they thought they ought to have. In other words, they demanded an increase over the present basis of payment which we could not afford to pay, so we declined to pay it and they left us.

Q. Were there not some negotiations between the miners and your company in September in regard to the amount of pay?—A. Yes, sir; we made an agreement to pay the miners 8 per cent. advance for four months, after which time they agreed to remain at the old basis unless the Lehigh Valley miners went back. They did not go back, and because we would not continue at the old basis or something equivalent after the 1st of January, they went out in direct violation with the agreement they made with us. I will give you the agreement in order that you may see for yourselves.

Q. We would like to have all the papers, documents, and negotiations connected with that agreement. We want all of them. What efforts have been made to resume work?—A. We have kept the collieries open and have made every effort to resume; we have hired men wherever we could get them. Some of the old miners have gone back and we have done our best to work the mines and transport the coal, but of course we can not do it without the labor. There is no trouble about getting labor if the people were allowed to work who wanted to work. The men we have had at work for us we have had to protect at the point of the bayonet.

Q. Who pays the men who held the bayonet; the State, county, or yourselves?—A. The county pays a portion of them and we pay a portion of them. We have had to follow men as late as last night from their work and protect them until they could get into their houses; men armed with Winchester rifles have been obliged to follow these people to protect their lives. There is no difficulty about having miners, if the people who have refused to work would let these fellows alone.

Q. Have not the miners sought a conference with the authorities of the Philadelphia and Reading Railroad Company from time to time?—A. I have not heard directly from a miner since they went out.

Q. Has not your superintendent?—A. I can not answer that question, but I do not think he has. Two or three times we have had communications from labor organizations about it. I made up my mind that I would treat hereafter with my own employés and never with any labor organizations if I could help it.

Q. I understood you to say that the company could not afford to continue paying the advance that had been agreed upon in September?—A. No, sir; we could not.

Q. Was not coal selling for a higher price on the 1st of January last than it was in September?—A. Yes, sir.

Q. If it was selling for a higher price why could not the company afford to pay the small advance which the miners wished?—A. Because what was wanted was a permanent advance on their wages. Perhaps you do not understand our basis. We would have paid our miners during the month of January for the mining they did at 15 per cent. advance on our basis, but what they wanted is the 8 per cent. agreement of September and then a division of the profits besides, and as long as our competitors refused to pay the same wages, we could not mine coal and sell it in the open competitve market while our competitors are putting out coal at from 12 to 15 cents per ton cheaper than we do. The business and work under our system is the most favorable basis in the United States or in other countries for the miners. In the Wyoming Valley they pay a fixed charge. They pay there a little more than we pay in the Schuylkill, but when coal goes above $2.50 a ton our men for every 3 cents advance get 1 cent in wages, so if we had mined in the month of January we could have paid our men 15 per cent. advance. We are perfectly willing to pay whatever our business allows us to pay, and our basis is the very best basis for the workingman. When coal is high, they get very high wages; when coal is $2.50 we do not get a cent out of the business, yet they make very fair wages. I have a statement here showing the earnings under the 8 per cent. basis which will average for a contract miner very nearly $3 a day. On that basis of $2.50 we make very little money. When the price of coal advances there are no miners in this country who get the amount of money which ours do on the basis of the advance.

By Mr. ANDERSON:

Q. How much would that average per month?—A. The 15 per cent average would be nearly 40 cents, and the miner getting $2.50 would get $2.90 per day.

Q. Would he be employed six days in a week?—A. Mostly; last year we ran our mines almost every day. Of course sometimes the mines have to be shut up when an accident happens, or when we have to do some work in the mines we close them, but we endeavor to run them whenever we can. Of course the wages of a miner depends upon the amount of work he does. We give so much a wagon to the contract miners. If they do not work they do not get so much pay, and if they do the work they get very good pay. I will give a statement of the pay-rolls so you can see for yourselves whether they earn good prices or not. I do not think there is a miner to-day in any section that earns the money that our own miners earned during the month of January, that is, the men who were at work under our basis, because, as I say, when we have an advance in the price of coal they get the benefit of it.

Q. In January, as I understand it, the strike took place, about the 1st of January?—A. Yes; the 1st.

Q. To whom are you referring when you say the men who are working since the strike?—A. We have had 2,500 or 3,000 at work.

Q. In the Philadelphia and Reading Coal and Iron Company?—A. Yes, sir; Brookside is working full-handed.

Q. My question was not so much with reference to the men you were employing since the strike as to what you paid the men before.—A. Excuse me; we have not changed our prices.

Q. What was the amount that your average miner received in the month of December?—A. I can not give you that. I haven't got the reports made up. I could give you for the quarter before the 8 per cent. advance which we gave them. I have got the figures here.

Q. Probably Mr. Whiting can present that.—A. I think you had better get that information from Mr. Whiting, who is thoroughly posted about these things.

By the CHAIRMAN:

Q. How many coal miners was the Pennsylvania and Reading Coal and Iron Company employing at the time of the strike?—A. About 20,000.

Q. About how many is the company employing now?—A. I think something over 3,000. I think you had better let Mr. Whiting answer this.

Q. Yes, but I have a purpose in asking this with a view to some further question as to the extent of the business of carrying coal to other States now by the Reading Company. What has been the falling off in the transportation to other States since the 1st of January by the Reading Company?—A. I could not give you that.

Q. Could you not approximate it?—A. I do not think I could, but I could give it from the books exactly. We have transported very little.

Q. How much, say, from the mines?—A. We have handled a good deal lately. I want to say one thing: There has been no time since this strike when we have failed directly or indirectly to comply with the requirements of a common carrier, and there has been no delay on our road in delivering our freight.

Q. Please tell us about how much coal is mined in the Reading system of railroads by private individuals or by corporations other than the Coal and Iron Company compared with the coal mined by the Coal and Iron Company?—A. I should think from 10 to 15 per cent. of our output of the coal which we haul from the mines is mined by other people.

Q. That is when your coal mines are in full operation?—A. Yes, sir.

Q. When they are in full operation how large a proportion of the coal brought out of the territory is mined by other people. I should suppose all the coal you are transporting now is mined by other parties except about one-sixth of your average quantity?—A. I do not think we are mining that.

Q. Not as much as one-sixth?—A. I think we are to-day, because in the last few days the miners have been going back to quite an extent; but until this last week or ten days we have done very little. Mr. Whiting will answer that portion of your inquiry; I can only but guess at it.

Q. Before the strike on the 1st of January, about how many tons was the Reading Company putting out?—A. I think our output last season was 6,200,000 tons.

Q. For the year?—A. Yes, sir; I can not give you the figures exactly.

Q. Can Mr. Whiting?—A. I think it was a little more than that. Mr. Whiting says it is 6,300,000 tons.

Q. Is not there a provision in the State constitution of Pennsylvania forbidding a railroad company from mining or manufacturing?—A. I think there is, but that constitution was passed after our rights were acquired. I think that matter has been already determined two or three times. There has never been any trouble or dispute in regard to the mining of coal under our old charter.

By Mr. ANDERSON:

Q. Have you got the incorporation act of the Philadelphia and Reading Railroad?—A. I have it at the office.

Q. With all the acts amendatory thereto?—A. Yes, sir.

Q. I would like to have this charter furnished to the committee?—A. Very well, sir.

Q. From your recollection of the act of incorporation did it confer upon the railroad company the power to do anything else than to manage and operate a railroad?—A. I have not examined the charter particularly with that view. I can send it to you, but I can not tell you whether it does or not.

Q. Could any other of these gentlemen give that information?

Mr. KAERCHER. The fact is the Coal and Iron Company was incorporated in 1871, three years before that new constitution was adopted, and by the conditions of the charter it was authorized to hold coal lands and to mine coal, and under this charter any railroad company in Pennsylvania who owned its stock could operate it.

Mr. CHIPMAN. There is a separate act of incorporation of the coal and iron company from the railroad company's charter?

The WITNESS. Yes, sir; it is a separate and distinct corporation.

Mr. ANDERSON. I want to know whether this second act incorporating the Coal and Iron Company in terms amended the incorporation act of the Reading Railroad Company?

The WITNESS. I am so badly informed in regard to these matters that I should prefer to get them for you and let you see them for yourself. I will be pleased to furnish them and any information in connection with them.

Q. Could you answer this question—I believe it is a rule of legal construction that nothing is conferred by a charter except that which is expressed or necessarily implied. The point I am getting at is this: If the original charter of the railroad company did not in terms or by necessary implication give to your company the right to buy a coal company, then it would be a question whether the railroad company had any right in law to buy that Coal and Iron Company unless this charter of the Coal and Iron Company expressly amended the charter of the railroad company. In other words, if there is nothing in that besides this, the fact that this constitutional amendment was *ex post facto* as to the Coal and Iron Company will have no force.—A. These are al legal questions, and I would have to refer to counsel. I would not like to give an opinion about it.

By the CHAIRMAN:

Q. You spoke of the Reading Railroad Company having to guard th miners now at work?—A. Yes, sir.

Q. At about what expense to the Reading Railroad Company are th three thousand miners now at work protected?—A. Well, I could n answer that, but at a very heavy expense.

Q. Now, how many men have you armed as special constables an guards? You can give us an approximate estimate.—A. Well, they a changing from time to time, but I should think there are two hundre and fifty, probably three hundred. They are changing from day to da. and I do not know what they are.

Q. Who employs these men; the county, town, or railway corpor tion?—A. I believe just now they are in charge of the county autho ities; that is my impression.

Q. What proportion of the expense is borne by the county?—A. am afraid they will not pay any of it.

Q. What county is it?—A. The county of Schuylkill.

Q. Have you had any trouble about protecting your miners in other counties, or have you any miners at work in other counties?—A. No, sir; they are all in this county. Mr. Whiting will answer all these questions.

Q. At how many points have you men to protect your miners who are at work?—A. I will have to say I can not answer that. Mr. Whiting will give you the particulars of it; he knows where they are.

Q. Have you the papers before you connected with the attempts at negotiation on the part of the Knights of Labor or any other organization of labor; in other words, have any applied to you in writing with a view to arbitration or adjustment; if so, have you got a copy of the correspondence?—A. I have got some of it here, and I can give you all of it.

Q. How many efforts have been made on the part of the Knights of Labor or labor organizations since the 1st of January to come to a compromise; in other words, how often have any parties applied to you?—A. They have not applied to me directly.

Q. Or any officer of the company?—A. I could not give the number of times; there has been a good deal, more or less.

Q. Well, the committee would like very much to have a copy of that correspondence.—A. Perhaps you would like me to commence at the beginning and go to the end.

Q. Yes, sir; and do it in your own time and in your own way.—A. I think I can shorten the examination and make it more satisfactory to the committee by commencing at the beginning and going to the end. I will give it as nearly as I can. I think it was some time in the month of November, 1887, that I was advised that several car-loads of coal were on a siding here, and they were side-tracked because our employés refused to handle them. They were in the city of Philadelphia, at Port Richmond.

Mr. STONE. Were they filled with coal?

The WITNESS. Yes, sir; it was coal. The objection, I was informed, and I believe it was so stated at the time, and the reason why they refused to move the coal was because it was coming from some parties in the Lehigh Valley where the men were on a strike, and it was what is known as "boycotted" coal. It was shipped over our road, and I think it was coal belonging to—I do not remember the parties to whom it was to be delivered, but our men refused to handle it.

Mr. STONE. Was it for a man by the name of Taylor?

The WITNESS. No, sir. I came over from New York, and I met a committee representing the various departments of the Reading Railroad. They came very often to our office during the last twelve months. Every now and then we had some trouble to talk over, and I always met them when I was able to do so, and when I could not somebody always saw them. There were present on this occasion quite a large number of them, say twelve or thirteen. The object at that time was to see if I could not assist them in a settlement of the Lehigh miners' strike, and then we talked about various matters, and I then called the attention of the committee which represented the workmen on our road to this fact, that this coal had been shipped over our road, and that the men had refused to handle it, and that it was then on a side-track. I said to them that this was a matter of duty, and that they had no right to boycott any man's goods, whether coal, flour, or clothing, or any other class of goods, when it was our duty to take it to its destination and deliver it to the consignee; that we were in the hands of a receiver, and that the court might take away our charter if we did not perform our duties as a common carrier, and that it was not for us to say whether a man was personally satisfactory to us; if he shipped goods over the road we were bound to handle them, and that any men working on the road were bound to obey orders if they were given to handle them.

Mr. STONE. This committee to which you are referring was a committee of railroad men?

The WITNESS. Yes, sir; not miners.

Mr. ANDERSON. Did this coal which was side-tracked come from the Lehigh region?

The WITNESS. I so understood it.

Q. Can you furnish us statistics of the coal which had come from the same region over the same branch of line that this came over for ten or thirty days previous?—A. I presume I could. If you could make a memorandum of the things you want and let the stenographer give them to me later I will have them all answered.

Mr. CHIPMAN. There is a matter I would like to ask about. It has been stated to us that the coal which was side-tracked at Port Richmond was coal which you were delivering to somebody named Scott, I think——

The WITNESS. That is another thing, sir. This was a committee of railroad men who came to see me at my office, and we discussed the matter, and I gave them to understand this at the time, that we would have no more of that sort of business on our road; that we were not acting as individuals but as a corporation, and it was our duty as a common carrier to deliver promptly all goods given to us, and that hereafter any men who refused to handle goods for us simply because they did not like the shipper or the quality of the goods that he would be discharged, and that I did not want to have that sort of employés anyhow.

Mr. STONE. When was this?

The WITNESS. I could not give you the exact date, but it was in the month of November. That coal was moved the next day and delivered. I call your attention to this, because I gave the men notice that we would not have that kind of work on our property. I was in Philadelphia and the general manager spoke to me of some flour at Port Richmond, consigned to Taylor & Co., and that the men refused to move that flour. I inquired into the fact, and there is no doubt about it, that the reason they refused to move that flour was because Taylor & Co. did not employ Knights of Labor, and that they were employing non-union men.

Mr. PARKER. How long a time was it between these two occurrences?

The WITNESS. It was something like two weeks. I directed the general manager to give directions to the superintendent to move that flour; that in accordance with our obligations and duties, and as we had that flour in our hands, it was our duty to deliver it, and to discharge the man who refused to move that flour.

Mr. ANDERSON. Where did that flour come from?

The WITNESS. I can not tell you, but I think it came from the West. These orders were given. I will just begin now to give you the orders while I have them. These are the orders, and if you will give me a little time I will get through.

Mr. CHIPMAN. I presume, Mr. Chairman, that these are to be filed in evidence?

The CHAIRMAN. Of course.

Mr. STONE. Are these copies.

The WITNESS. Yes, sir.

EXHIBIT 1.

PHILADELPHIA, PA., *December* 22, 1887.

DEAR SIR: I am informed that several carloads of flour, consigned to the Philadelphia Grain Elevator Company, are in our Port Richmond yard, and that some of our men have refused to remove them. Give orders that the cars be moved, and if the men refuse discharge them immediately from the service of the company.

A. A. McLEOD,
General Manager.

Mr. I. A. SWEIGARD,
General Superintendent, Philadelphia, Pa.

Mr. Anderson. Was that issued by your direction.

The Witness. Yes, sir. In pursuance of that order there were five rews discharged who successively refused to move the cars at Port Richmond.

Q. Where is Port Richmond?—A. It is on the river here.

The Chairman. What do you mean by crews; employés who run on a rain?—A. Yes, sir; on the switching engines.

Q. What is the number of men to a crew?—A. Five or six. Then upon that Mr. McLeod issued this order:

Exhibit 2.

The Philadelphia and Reading Railroad Company,
General Office, 227 South Fourth Street,
Philadelphia, December 24, 1887.

Dear Sir: Please issue the following order to Mr. Cable and have him transmit it to his assistant: B. J. Sharkey and Ambrose Hede will not be permitted to return to work, if, as I am informed, it was under their orders the men refused to handle the Taylor & Co. merchandise; and no man discharged for disobeying the order to remove the merchandise will be permitted to take service with the company again in any capacity.

Yours, truly,

A. A. McLeod,
General Manager.

Mr. I. A. Sweigard,
General Superintendent, Philadelphia, Pa.

He found out that the men who had been working on the switch engines had been ordered by certain employés to refuse to handle its merchandise. I do not know whether I did know these men or not. I did know one of them, but I do not know whether I knew the other or not, but I think both of them were officers in the Knights of Labor, and they ordered these men not to perform this duty. When their names were known they were discharged. Upon the discharge of these men the Knights of Labor (I give you this from hearsay, but I believe it was so) ordered the strike at Port Richmond, and nearly all our men there went out.

Q. Were these all your railroad employés?—A. They were all railroad employés, as well as the coal handlers. All the employés at Port Richmond in various capacities left.

Q. Approximately, what number?—A. I should say a thousand men were employed there.

Mr. Anderson. About what time of day did they leave?

The Witness. I think they were ordered out one night and did not come back the next morning. Mr. Keim says they struck at 12 o'clock noon on the 24th, I think.

Q. That was dated on the 24th; when was that served?—A. That was served on the 24th. Saturday was the 24th, and they left at 12 o'clock. Having left on that day, Saturday, the 24th, the following orders were issued by the general manager relating to the Port Richmond docks:

Exhibit 3.

NOTICE.

Receivers of Philadelphia and Reading Railroad Company.

Work will be resumed on Tuesday morning, December 27, at the Port Richmond yard. Employés will report for duty at that time. The places of such as do not report will be filled by other men. The men discharged for disobedience of orders in refusing to move the trains to the place of their destination will not be permitted to again enter the service of the company in any capacity.

A. A. McLeod,
General Manager.

Philadelphia, *December 24, 1887.*

Before I go any further in that direction, Mr. Chairman, I had better speak of the strike at Elizabethport. We have docks at Elizabethport, N. J.

The CHAIRMAN. What is the distance in miles between the two points.

The WITNESS. Well, I should say 80 to 85 miles. We handle New York coal very largely at Elizabethport, N. J., where we have docks for that purpose. Soon after this happened at Port Richmond, or indeed I think before the trouble at Port Richmond (I testify from information; I do not know the facts), some coal was brought to Elizabethport docks by Coxe Bros., who were operators in the Lehigh region where the men were on a strike. We sold them 400 tons of Reading coal to be delivered free on board at Elizabethport; that means that the coal shall be put on board free of charge of coal-handlers at Elizabethport.

Mr. ANDERSON. Are you in the habit of selling to other parties in this way?

The WITNESS. We sell all our coal to anybody who wants coal. We prefer to sell our coal in our own boats, but if a man wants to buy coal and wants to furnish his own boat, why we can not very well refuse to load it on his boat. Well, these men refused to put that coal on board because they did not like Coxe Bros., which was a boycotted firm in the Lehigh region. That coal had cost us an extraordinary price, because it was coal mined under the increased wages given to the employés under our contract from the 1st of September. That coal was very high-priced coal, and had cost a good deal of money, because we had paid the increased prices, and when that got there they would not deliver the coal because they did not like the men to whom we sold it.

Q. Did that coal cost any more than the rest of the coal?—A. The point I make is this, that we had gone to a very heavy expense, and we did not want to sell on a falling market. Of course we wanted to get rid of the coal as fast as we could. We were then paying the increased wages; but they refused to handle that coal and we could not get the boat loaded, and then we determined we should not do business that way. If we were obliged to pay large prices for coal to the miners and then the employés would not deliver it to anybody they did not like, things would be in a pretty bad shape. Therefore I made up my mind then and there, and we gave the employés notice that they should load that boat and that anybody who refused to perform their duty in loading that boat should be discharged, and they were.

Mr. STONE. Will you state the date of that, Mr. Corbin?

The WITNESS. It is dated about the 22d of December. It was the same day we had the trouble at Port Richmond.

Mr. ANDERSON. I understood that was on the 24th?

The WITNESS. They left on the 24th. The first order given there was on the 22d.

Q. Can you tell us the exact hours; the hour when this order was issued and the hour when the first order was issued?—A. I could not give it to you. I do not know the exact time they were issued, but I presume the general manager can form some idea of it. I will ascertain for you as near as I can.

EXHIBIT 4.

THE PHILADELPHIA AND READING RAILROAD COMPANY,
GENERAL OFFICE, 227 SOUTH FOURTH STREET,
Philadelphia, December 22, 1887.

DEAR SIR: I understand that the Philadelphia and Reading Coal and Iron Company have sold some coal f. o. b. Elizabethport, which they desire to have loaded in tside boats; and I understand also that the men there have refused to load them. lease give orders to have such boats loaded at once, and any of our men who refuse do so discharge them.

Yours, truly,

A. A. McLEOD,
General Manager.

Mr. I. A. SWEIGARD,
Gen'l Sup't, Philadelphia, Pa.

Q. This order was issued before your order?—A. Yes, sir. Well, it was a sort of mutual understanding that it was to be issued, and that order was made in pursuance to it.

Mr. STONE. With reference to the order in which these several events occurred, which took place first, the trouble about the coal and this flour of Taylor & Co., or the trouble at Elizabethport?

The WITNESS. The very first order which was issued was in respect to Taylor.

Q. You are giving them in the order in which they occur?—A. I am, as near as I can.

Mr. CHIPMAN. The trouble at Port Richmond occurred first, you think?

The WITNESS. The order at Port Richmond occurred first; I can not tell you whether the trouble was first, but I know the first order was in relation to the moving of this flour at Port Richmond.

Q. Were these men discharged, or was there a general strike ordered by the Knights of Labor over the road?

Mr. STONE. At Elizabethport?

The WITNESS. At Elizabethport and Richmond; I think there was a day or two after they remained, but what date that strike was ordered I can not tell you, but I can have them furnish you the exact date when they went out or were ordered out. I will furnish you, gentlemen, with that information later. The order was issued by the general manager; this was after the men had been ordered out, and I think a large portion of them had gone out.

Mr. ANDERSON. Of railroad men?

The WITNESS. Yes, sir. The general manager gave notice, in pursuance to my directions, that the men who had gone on strike, as they call it, would be given until Tuesday morning, the 27th, to return to work.

The CHAIRMAN. When can you furnish the committee with that paper?

The WITNESS. This afternoon, as soon as I get to the office.

Mr. ANDERSON. And this was the basis upon which they would be accepted?

The WITNESS. No, sir; that was a separate thing. The regulation I speak of was issued in a general order, directing the men to report for duty on the 27th, and giving notice that those who did report for duty that morning would be taken back, if they desired it, into the service of the company; that they then were out and no longer our employés, but they would be given preference and would be taken back; and if they did not report for duty on the morning of the 27th that they were discharged and would never be permitted to come back again. That order was very plain and positive in its terms, and of course was issued in the ordinary way. I understand that considerable complaint has been made that the men did not get the order, but I could not help that. It was not the business of the railroad company to go running around all over the State of Pennsylvania to find men who had agreed to work for the company and who had agreed to report every morning for that particular duty. I do not say anything at all against these men; course some of them were ignorant, but so far as the men were c cerned we had no fault to find with them. If these men had been bet advised—I believe it was not their fault; but I said on the morni of the 27th that these men who returned would be taken back, an they did not report on that morning they would be left off the rolls, a I think about 2,600 men never came back, and those of them who not come back never will while I am president of this road.

Mr. STONE. Did that order exclude any men?

The WITNESS. No, sir; that order included all; practically all co come back with the exception of these few people who were discharg Hede and Sharkey.

Q. Were these five crews included?—A. No, sir. We had giv notice before we discharged any that any who disobeyed our orders would not have them back again. We took back any men where t trouble was they simply left our service temporarily, but men who h refused to perform duties which interfered with our obligations as a co mon carrier we would not have them back.

Mr. ANDERSON. How was that order made public?

The WITNESS. It was sent to all the superintendents through t general manager and it got into the newspapers.

Q. Was there any poster issued as in the other case?—A. This w sent to Port Richmond; I do not know about that, and I can not t you.

Mr. CHIPMAN. You think that order was issued about the 27th?

The WITNESS. It was issued on the 24th and the men were given un the 27th to come back again.

Mr. PARKER. Was that notice made public?

The WITNESS. It was made as public as we could make it. We ga it all the publicity possible.

Mr. STONE. Did you send telegrams to the different depots?

The WITNESS. We sent, I think, telegrams to the division super tendents. They were sent to the general superintendent, who distribut them among the division superintendents, where the men get advice orders of that kind.

Q. Did it get into the newspapers?—A. I think the newspapers have it. Some men, of course, may not have read it; but these m were under orders; they were ordered not to go back.

Mr. PARKER. By whom do you mean?

The WITNESS. By the leaders of the Knights of Labor. I assu that, and I guess they will not deny that. We had performed our d and stated that they would have three days' notice from Saturday, 24th, to Tuesday, the 27th. I say to you that there would have b no difficulty with the large body of men who went out; we have fault to find with them and they had none with us. There has been question or controversy about the treatment of the men, or the wag or the hours of labor, because when I came here I took pains to l personally into every complaint which was made, and wherever th has been any wrong treatment of men or want of proper treatment the part of the heads of the departments, or too many hours' work, not a proper amount of wages paid for their labor; and so far as could, and I believe the men to-day will agree, that the Reading Railr Company worked their men no more than reasonable hours and paid th well and that they were well treated. I have always made it a rule my road that every employé should be treated by the road prope as far as I could, and just as I was treated. I did not want any employé on the road treated in any other manner, and we were working them reasonable hours, and we were paying them fair wages.

Mr. STONE. Before you go further, is it not a fact that there was a committee representing the Knights of Labor, of which Mr. Lee was a member, who had a conference with you or other officers of the company with a view to a settlement of the troubles just before this order, which you say you sent out along the line to these men calling on them to return to work?

The WITNESS. I do not know whether they did or not. I was not present at any interview with them. I have no doubt they came in to see Mr. Sweigard, who took his orders from me as well as the general manager. When I assumed charge of that company I did not propose to arbitrate a question as to whether men should deliver flour on my road when I was under obligations to deliver it as a common carrier, and I said to him distinctly, and I had him in the office in the presence of the general manager, and told him that under no circumstances would men be allowed to return to the service of this road who had refused to obey the orders that were given, and that no question of arbitration should be made with any organization. I think he understood his orders thoroughly, and I have no doubt he did.

Mr. ANDERSON. Do you remember the date of that interview with Mr. Sweigard?

The WITNESS. It was the very day we issued the order, on the 24th. There did come a committee up to the office, and I was given notice that they would like to see me; but I was not seeing committees just about that time. I proposed to perform the duty of a common carrier, and I did not propose to allow them to state what business I should carry and what business I should not. No man can tell you that we have failed to handle all our interstate business even during the strike.

Mr. STONE. Do you know whether there was an agreement made between Mr. Sweigard and Mr. Lee?

The WITNESS. I think so, but the charge that Mr. Sweigard said that they could go back and it would be arbitrated I do not believe that at all. Of course I can not swear what he said and what he didn't say, but I believe he didn't say anything like that. I have no idea that Mr. Sweigard said anything like that. For six months the Knights of Labor organization had been interfering with every one they could apparently, and with great injury to us and the men, and we got very tired of it, and I made up my mind, if we ever got to the point, that I would have no more to do with that kind of business. Mr. Sweigard knew my opinion. We were bound to deliver that flour; Mr. Taylor was waiting for it; he employed the men to work for him and handle this flour, and it was his business to employ his men and pay them.

The CHAIRMAN. How was your railroad supplied with these 2,600 men?

The WITNESS. The 2,600 men? Of course some of them were railroad men, but we did not require so many engineers after the coal strike as before. We immediately filled the places with experienced men, and could have got many more to have taken their places. Of course, when we had once employed a man, it would be a cold day before we would take on again men who had voluntarily thrown up their places and discharge these men to make room for them.

Mr. PARKER. Were you anticipating a coal strike at the time of these disturbances at Elizabethport and Port Richmond?

The WITNESS. No, sir; I did not think we should have a coal st then. I did not see how they could directly violate an agreement plain as the one made in September, and I did not believe till the day of January that we should have any strike:

Q. Then you had no belief or expectation at the time of these t disturbances in connection with the railroad that you were to mee mining strike?—A. No, sir; I did not.

Mr. STONE. Did the engineers go out on this strike?

The WITNESS. A good many of them did.

Q. The locomotive engineers?—A. Yes, sir.

Q. Was not this almost unprecedented?—A. I do not know; they go out now and then. They did with us.

Q. How many times have they gone out?—A. On our road?

Q. On any of the railroad systems?—A. I do not know, sir.

The CHAIRMAN. It happens sometimes down South.

Mr. PARKER. It is not usual in our State, as a great majority of th belong to the Brotherhood.—A. They are outside the Knights of Lab When the Brotherhood make a contract they stick to it. I would soon have a contract made with them as with Drexel, Morgan & A good many of these men of ours were not members of the Broth hood of Locomotive Engineers, but belonged to the Knights of Lab I do not know how many of them did go out, but I know we did fill places of a good many.

Mr. ANDERSON. Were the engineers who left your road members the Brotherhood?

The WITNESS. I could not tell you. I would have to ask about th My impression was that they were not Brotherhood men, but I do know.

Now I have given you gentlemen this order which was issued on 24th, and it was followed by some other orders, and if there is anythi more I will give them to you later. Here is an order from the gene manager to the master-mechanic:

EXHIBIT 5.

PHILADELPHIA, *December* 27, 188

G. W. CUSHING, *Reading, Pa.:*

No man once discharged for refusing to obey orders shall return to the servic the company, and where new men are employed to take the places of those who not report, they will be retained absolutely. The men may return to work so fa you have places for them, and all men in the employ of the company will be subj to the same rules and regulations in every respect. If the old men wish to ret their places they must report promptly, and they must understand that when ones are taken they will not be discharged to make places for the old ones.

A. A. McLEO

This is another one, sir:

EXHIBIT 6.

PHILADELPHIA, *December* 27, 188

G. W. CUSHING, *Reading, Pa.:*

Of course it seems clear to me that you must understand the orders which h been given, and that you will first give preference to our old men to take their pl to-day, but if they refuse to do so, you will man the engines with new men. I w promote any competent firemen to engineers if necessary. The new men then s remain on the engines as long as they obey orders and attend to their duties, and old men shall not again enter the service of this company. These instructions final.

A. A. McLEOD, *G.*

Mr. ANDERSON. Should we not have the telegram from Mr. Cushing, to which that answer of Mr. Corbin was sent?

The CHAIRMAN. It would be better, in order that the record should be as complete as possible.

The WITNESS. I will give it to you. I will send and get it for you. Here is another one:

EXHIBIT 7.

Order given by Mr. Sweigard.

DECEMBER 27, 1887.

1. No men who have been discharged will be reinstated, nor will they be permitted again to enter the service of the company.

2. The new men who were engaged when the old ones went out will not be discharged, but will be maintained in their positions and will be given work as long as they properly perform their duties.

3. Men who were called upon for service and refused or neglected to appear to perform it, and whose places have been filled, will not be taken back for the same position. If any position is still open and immediate application is made, and the men are satisfactory to the company, they will be given employment.

A. A. McLEOD, *G. M.*

Here are various orders—I do not know whether you care to be troubled with them—relating to some accidents we had on the road and these are orders relating to that matter.

Mr. CHIPMAN. I think we had better have them.

The CHAIRMAN. It shows that you did not have a smooth time with the new hands you employed.

The WITNESS. We did not expect it, but we did very well with them, but it was not altogether lovely.

Mr. CHIPMAN. You had better let us have the whole story.

The WITNESS. Here is one to Mr. Lawler; I got a copy from him:

EXHIBIT 8.

PHILADELPHIA, *December 28*, 1887.

C. M. LAWLER, *Shamokin, Pa.*:

I have seen your last message to Mr. Sweigard indicating that there will be some trouble, and I have just given orders through Mr. Sweigard to have the coal and iron police sent to your division at once, and I will send a thousand men there if necessary to protect the new men you put on. You are positively directed to take back the men whom you have discharged for refusing to obey orders, and the company will stand ready to protect you no matter what it costs.

A. A. McLEOD.

EXHIBIT 9.

PHILADELPHIA, *December 28*, 1887.

C. M. LAWLER, *Shamokin, Pa.*:

In reference to the wreck at Buck Mount, please investigate promptly, and if you find the track has been tampered with, offer a reward of $5,000 for the detection and conviction of the party or parties who did it. Attend to this as promptly as possible, and post your notices of reward, should you decide to do so, prominently.

A. A. McLEOD.

Now here is one from the general manager of the same date, the 28th of December:

EXHIBIT 10.

PHILADELPHIA, *December 28*, 1887.

Mr. I. A. SWEIGARD, *General Superintendent*:

Please have division superintendents post up the following notice in conspicuous places:

"A reward of $10,000 will be paid to any person who will furnish the evidence which will lead to the arrest and conviction of any person or persons who shall be guilty of violence to the company's employés or its property."

A. A. McLEOD,
General Manager.

I omitted one on the 27th of December, which was issued by th
of the receivers, in relation to the matter, which will throw som
upon the situation and condition of the parties:

EXHIBIT 11.

[George de B. Keim, Stephen A. Caldwell, Austin Corbin, receivers of The Philadelphia
ing Railroad Company, general office, 227 South Fourth street.]

PHILADELPHIA, *December 2*

A. A. McLEOD, Esq.,
General Manager:

DEAR SIR: The strike ordered from Port Richmond has developed the
many of our old and faithful employés have been compelled by others to joi
ganization known as the Knights of Labor. While the Reading Railroad
has never objected to its employés voluntarily connecting themselves with a
organization they may see fit to join, it will protect them at all hazards an
cost from being forced into any union where their own wish would be to rem
and any employé of this company, or of the coal and iron company, guilty
any undue or improper influence upon any of our men to force them to join
ety against their free will, will, upon proof furnished us, be instantly dismis
our service and never allowed to return to it; and any employé furnishing
formation will be fully protected from any harm by reason thereof. Please
notice to the general superintendent, with orders that it be repeated to the
every department of the railroad and coal and iron company.

Very respectfully,

AUSTIN CORB
Pr
G. DE B. KEIM
S. A. CALDWE
AUSTIN CORBI
Re

I. A. SWEIGARD, Esq.,
General Superintendent:

DEAR SIR: Please furnish all heads of departments with a copy of this n
see that it is fully carried out.

A. A. McLE
General M

EXHIBIT 12.

PHILADELPHIA, READING AND POTTSVILLE TELEGRAPH COMPA
Pottsville, Pa., Decem

To PRESIDENT CORBIN,
Philadelphia and Reading Railroad and Coal and Iron Company:

The joint committee of the Knights of Labor, the Miners' Amalgamated Ass
and Eccentric Engineers of the anthracite coal region, fearing that the t
your road arose from the Lehigh miners' strike, most respectfully ten
services as mediators. We urgently request that the matter be arbitrate
public interest demands immediate and satisfactory settlement. Anxious to
and promote the fraternal relations that should exist between employer and
we appeal to you to grant the request, work to continue as usual pending
tlement. Please answer by wire to

JOHN H. DAV
Wall's Hotel, Po

EXHIBIT 13.

THE PHILADELPHIA AND READING RAILROAD COMPA
General Office, December 2

JOHN H. DAVIS,
Wall's Hotel, Pottsville, Pa.:

Your message to the president of the company has been repeated to him in N
and his reply to you is that he sees nothing for the company to arbitrate.

A. A. M

EXHIBIT 14.

PHILADELPHIA, READING AND POTTSVILLE TELEGRAPH COMPANY,
Pottsville, December 28, 1887

A. A. McLEOD:

In reply to President Corbin, where he says "he sees nothing for the company to arbitrate," the committee would say "that the present difficulty, if not intercepted by prudence and just methods, will, we fear, result disastrously to the company, the employés, and the miners, and our anxiety for the continued prosperity of our people and the welfare of the business community prompts us to urge that some understanding should be reached that will result favorably to all parties concerned. Public interests should not suffer, and we urgently appeal that negotiations open, in hopes of an amicable adjustment. Please forward to President Corbin the committee's reply.

JNO. H. DAVIS,
Wolls Hotel.

MR. McLEOD:

I have done nothing about this.

Respectfully,

W. D. WOLFF.

DECEMBER 28.

EXHIBIT 15.

THE PHILADELPHIA AND READING RAILROAD COMPANY,
General Office, December 29, 1887.

JOHN H. DAVIS, *Wolls Hotel, Pottsville, Pa.:*

Your message to me was repeated to Mr. Corbin, president of this company, and I am directed by him to reply as follows:

Positively we have nothing to discuss or arbitrate; the strike was ordered because we discharged men for refusing to perform a duty which the law made incumbent upon us to preform, and for the non-performance of which no reason on earth existed. Our men should have performed it promptly and cheerfully. Not a word of complaint from the first has been made as to the fair, honest treatment of employés, and the time has now arrived when any dictation or attempted dictation by any one in our employ as to how we shall do our business will be followed by the immediate discharge of the meddler. Employés of this company will be required to decide now whether their first allegiance is to the company that employs and pays them, or the Knights of Labor. If that allegiance is to this company we will stand by them at all hazards and at any cost; if to the Knights of Labor first, such men will not be allowed in our service a minute.

A. A. McLEOD.

On the 28th I directed Mr. McLeod to send out this notice which I will read to you. By this time our road was in decently good shape, and we were getting it in better order every day.

EXHIBIT 16.

RECEIVERS OF THE PHILADELPHIA AND READING RAILROAD.

I am directed by Mr. Austin Corbin, president, to issue the following notice to the employés:

"To such of our old employes as have stood manfully and faithfully by us, we feel obliged and thankful, and shall not forget them. But the time has now arrived when all our employés will be required to decide whether they expect to retain their places by reason of honest and faithful service and prompt obedience to the orders of the company that employs them and pays them, or by blind obedience to the direction of the Knights of Labor, through which organization the leaders hope to coerce us into the employment of men who consider their first obedience due to that order.

"The men who stand by us will have employment, with reasonable hours and good pay, as much as is paid by any other corporation of a similar character. Men who do not will never be allowed on the road again under any circumstances.

"We have never objected to labor organizations and do not now. Every man shall be free to belong to one or not, as he pleases. But the leaders of such orders can not and shall not dictate to this company as to whom it shall employ or how operate its property. Places that are left in obedience to the orders of the Knights of Labo shall be filled by new men, and such new men will be retained, and under no circumstances be discharged to make room for men who have left their places.

"Hereafter we shall operate this property with employés who consider their fir duty is to the company and expect to obey reasonable orders made in the transactio of its business.

"There has never been a moment when, under any circumstances, we would a bitrate any question growing out of this strike. There has been nothing to arbitrat It is only a question as to whether the company shall be permitted to operate its ow property—a property in which there is invested over $200,000,000—or whether th property shall be controlled by the Knights of Labor.

"It may as well be understood now, and from this time on, that any wheel that i turned on the Reading system will be turned under the orders of the management c the company, and under the orders of nobody else."

A. A. McLeod,
General Manager.

December 29, 1887.

EXHIBIT 17.

Philadelphia, *December* 28, 1887.

Mr. I. A. Sweigard,
General Superintendent:

Please have the following notice sent to the division superintendents:

To Division Superintendents:

Take all necessary measures to have arrested and bound over for trial at court an person guilty of any violence to the employés of the company, or doing any injury t its property, and let like proceeding be taken against all persons who threaten violence to either.

A. A. McLeod,
General Manager.

Mr. Chairman, I believe I have exhausted what I find here as order relating to this. I think they are all there, and if there is anything els I will let you have it.

By Mr. Anderson:

Q. In connection with these orders, I would like to know on what da and at what hour the police or other force was sent to enforce thes orders and to prevent any violence?—A. You mean in the city? I answer to that I will say that I will have to take in the whole amount for, as I understand it, we have a police force regularly employed on th road.

Q. How many?—A. I will give you that later. I will answer in regard to Port Richmond that the police appeared on the Port Richmon docks on the 23d of December, or on the day after the discharge of thos five crews.

Q. Not before?—A. No, sir. We had reason to believe that ther would be attempts to prevent the bringing in on the Port Richmon docks of non-union or new men.

Q. Was that done about that flour?—A. Yes, sir. Our police wer largely the city police, who took possession of our property there to prevent any trouble. We proceeded then to do our work. I think some c the police were part of ours, but I think they were acting under th police department of the city. That I can not answer you.

Q. How many men were there altogether?—A. I should say betwee three hundred and four hundred.

By the Chairman:

Q. Were they policemen?—A. Yes, sir.

Q. Were they acting under authority of the company?—A. No, sir I think they were acting under the authority of the police of the city

Q. Were they appointed by the mayor or sheriff of the county?—A. They were the regular police of the city.

Q. What wages are these policemen paid?—A. I do not know what they are paid and I can not give you that; at least I could not give you that here. I wish to say that at Elizabethport we were obliged to get the police appointed by the county authorities.

Q. I believe the price of coal has gone up recently?—A. Yes, sir.

Q. Has not anthracite coal gone up in consequence of the strike or lockout, whatever it may be, in the Reading coal mines?—A. I think largely by reason of it, and in consequence of the Lehigh Valley being out.

Q. Well, the Lehigh Valley mines but very little anthracite coal compared with the Schuylkill and Lackawanna region?—A. The Lehigh Valley is a very large miner.

Q. About what per cent. of anthracite coal comes from the Lehigh Valley?—A. I should think the Lehigh mines that are idle by reason of the strike produce 25 per cent. of the entire output.

Q. About what proportion of the entire output do the Schuylkill mines extract when they are in full operation?—A. As we have operated them they have produced, I think, last year 6,300,000 tons.

Q. About what proportion is that of the annual output of anthracite?—A. Well, I should state that we produce 6,300,000 tons out of 31,000,000 produced by everybody.

Q. Please now tell the committee if there is any pooling of profits of coal mines and coal freights in railroading among the several mines or the several railroads.—A. There has never been anything of that kind in connection with us. I can answer for ourselves and I have no reason to believe that the others have. I have heard talk about an anthracite board of trade. I have never heard of such a thing, and we have no combinations or agreements or arrangements with anybody. We mine coal when we can sell it, and when we can not we stop. There has never been in my day and since I have been connected with this railroad any effort on the part of the officers of this road to increase or limit the output or make any pooling arrangement. It is pure romance.

Q. Has not the Reading Railroad Company some contract or understanding or combination with the railroads outside of the State for the transportation of its anthracite coal?—A. No, sir; I say no. We have arrangements covering all classes of freight. We sell our coal in the Mississippi Valley and ship it into Minnesota and Canada. We get freights as cheap as we can; sometimes we send it over the Erie Railroad and sometimes over the New York Central.

Q. You do that as a coal dealer and not as a common carrier?—A. If we have coal to deliver at Buffalo we aim to get it to Buffalo as cheap as we can. It depends upon where we can get it taken the cheapest.

Q. If you can get them to take the freight so as to make it advantageous for the Reading Railroad Company to charge more or less freight with the view of getting larger or less profit on the coal, you do it, as I understand?—A. In shipping our coal to any point off our own road we of course make the best arrangement we can in order to get as much net money as we can.

Q. Is there not a partnership existing by reason of the joint ownership of the Reading Railroad Company and the Reading Coal and Iron Company and their belonging to the same stockholders, and is not this partnership subordinate to a joint operation of the railroad and coal mines, or rather are not the interests joint and mutual with a view of getting a profit for the railroad and a profit for the coal and iron company; in other words, do you not pool the profits or losses of the Reading Railroad Company and of the coal mines belonging to the Reading Railroad Company?—A. No, sir; we do not.

Q. Are they kept entirely distinct?—A. They are entirely independent. We do not charge our company any more for hauling coal than any other company. We do not charge the coal company to haul coal to any point more than anybody else.

Q. Do you charge them any less?—A. No, sir; our rates are the same. We do not make any distinction in that respect.

Q. Well, in alluding to the order you issued on the 27th of December notifying the men they could return to work.——A. It was on the 24th.

Q. I thought it was on the 27th?—A. They could return on the 27th. The order was issued on the 24th, giving them until the 27th to return.

Q. I understand that you did not consider it was your province to hunt up the men and give them personal notice?—A. No, sir; we could not do that; we could not find them. If you attempt to hunt up 15,000 men you would have pretty heavy work to find them.

Q. The telegraph, of course, would be the main instrument to notify the men, if they could be notified at all. Now, tell us about the relations existing between the telegraph company and the Reading Railroad Company. What telegraph company is over the Reading line?—A. We own the telegraph company over our lines. They are entirely independent; and I want to say this in connection with it, that no man could charge the telegraph company with failing to deliver the messages promptly.

Q. You think the messages were all delivered promptly that were sent out on it?—A. I undertake to say, and I believe, that there has not been a message delayed a minute. The messages have been as promptly delivered as they can be. If there has been any charge of that kind, I would like to find out the specific message that has been delayed in our office. On the contrary, I think a very large number of our operators were Knights of Labor. I know I did not desire to send any of my messages over the wire, if I didn't want the information known, because I found it was given away by the employés to the labor organizations. and I have been obliged to send special messengers over my own road. in order to protect my own correspondence.

Mr. ANDERSON. I did not quite catch what you said, in regard to the ownership of the wires of your road?

The WITNESS. They are mostly owned by the Reading Railroad Company.

Q. By whom are the rest owned?—A. The Western Union.

Q. What is the agreement between the Western Union and the Reading Railroad Company?—A. It is the usual agreement they make with all the roads. I think they allow us a wire or some wires for our own business, and the commercial business they handle themselves and do it through their own office.

Mr. ANDERSON. In the Post-Office Committee we drew out the contract between the Western Union Telegraph Company and the Pacific Railroad and Telegraph Company, and I think it would be well for Mr. Corbin to furnish us with a copy of that agreement.

The WITNESS. I shall be pleased to do so.

By the CHAIRMAN:

Q. The committee would like to have it as speedily as you can. About how many policemen do you say the road has now, to keep order on the railroad and in the mines?—A. I could not give an answer here, but I will.

Q. Can you approximate it?—A. I should not like to do it.

Q. Do you say it is something like three or four hundred?—A. I presume we have that many.

Q. How long have you kept that number?—A. Since the strike.

Q. How many were in the employ of the company before the strike?—A. That is something I could not give you.

Q. These employés are now engaged in preserving order in the mine rather than on the railroad?—A. Yes, sir; the railroad is having no trouble.

Q. You say there is no trouble now on the railroad?—A. There is no trouble there at all. We have a little trouble. These fellows throw a rock once in a while through the car-windows or something of that kind.

Q. They do that sometimes on all the railroads?—A. No, sir; not on the Reading before the strike.

Q. But this kind of thing happens occasionally on all the railroads?—A. Yes, sir.

Q. About what compensation does the company pay these policemen?—A. I could not give you that.

Q. You do not know whether they are employed by the day or month?—A. I do not.

Q. Are they generally under the command of the deputy sheriff, or under the command of a mayor of the city, or of the chief of police?—A. I believe they are generally deputized by the sheriff of the county. I have taken the ground that we have a right to protect our employés from assault, even if we went into it personally ourselves. We do not act except in self defense—in defense of our property—but we do undertake to prevent assaults upon our employés and the destruction of our property.

Q. When you say this company, do you mean the railroad company or the coal and iron company?—A. I mean both.

Q. So it is a partnership as to police matters?—A. No, sir; but I am talking about it in a general way.

Q. Which corporation will pay the most? Will the coal and iron company or the railroad company pay the most?—A. I presume the coal and iron company.

Q. They will share the costs?—A. No, they will not pay for police they do not use. You ask me how much we have altogether, and I attempted to give an approximate idea. If you want definite information I probably could get it for you.

Q. The reason I had for asking this question was, that the impression has been made on my mind, by what I saw in the press and by what the witnesses testified in Washington, that it was a kind of partnership, or something of that sort?—A. It is entirely independent and separate. The Reading Railroad Company owns the stock, and it naturally controls the elections and of course the policy of the board selected, but that board now is perfectly independent and made up very largely with men acquainted with the coal business.

Mr. CHIPMAN. Right there, I want to know if you mean that the two companies, as corporations, treat each other as distinct?

The WITNESS. They do.

Mr. PARKER. I understood you to say that the stock of the coal and iron company is owned by the Philadelphia and Reading Railroad Company?

The WITNESS. Yes, sir; it is.

Mr. STONE. When the Philadelphia and Reading Railroad Company went into the hands of a receiver did the stock of the iron property go also?

The WITNESS. Yes, sir; receivers were appointed for the coal an iron property as well as for the Reading Railroad Company.

Q. What I want to know is this, did the property of the coal and iro company go into the hands of the receiver of the Philadelphia an Reading Railroad Company as a part of the assets of the latter company?—A. No, sir; I think it was separate. We have reorganized it, and I would like to explain about that reorganization. We reorganized thi business in this way, by separating and having an independent board of officers in the coal and iron company; not because we had any sor of doubt of our right to have the same men representing the coal and iron company and the railroad company if we chose to make it so, but the coal business has grown to such large proportions, and the carrying of coal is such a large proportion of our business, it was thought we could manage these mines more economically and judiciously if we should elect a board that was better acquainted with the coal trade and with mining than an ordinary railroad board; and, as I stated before in the early part of my examination, Mr. Keim, who came from Schuylkill County, where he received his knowledge and ability to judge o that kind of business was, by unanimous consent of the owners of th property made its president. Then he selected most of the board o directors, men whom he thought would be most valuable to him, a being well advised in the matter of the coal trade. So, I say, this organization this year has been made with a view of developing the coal lan more economically and more judiciously in every way than because w had any idea that we could not hold these offices if we wanted to.

Mr. CHIPMAN. That is, the personnel of the management of the tw companies is different?

The WITNESS. Yes, sir.

Q. You are president of the railroad company and Mr. Keim is president of the coal and iron company. You happen to be the only direct appointed in the iron and coal company?—A. Yes, they put me in.

Q. And notwithstanding that, they are a distinct corporation?— Entirely.

Q. Do you buy from the coal and iron company?—A. Certainly, buy from the coal and iron company.

Q. Do you buy to ship?—A. No, sir; we buy from them our supp of coal. They do their own business and have their own organizatio

By Mr. ANDERSON:

Q. As I understand it, the two corporations legally are distinct bu substantially are one *de facto*; the railroad company owns the coal company, and in selecting new officers you simply, as a railroad compan are placing in charge of the coal company men as your employés, a your agents.—A. We turned over the property to Mr. Keim, and th effort on his part in the organization of such a board is that they shoul work the coal company to the best advantage.

Q. Did Mr. Keim select the directors?—A. He did.

Q. How? I mean legally. I supposed when directors of a corporatio were selected it was done by vote of the stockholders.—A. It was, bu we gave him proxy for the stock.

Q. What was the relation of Mr. Keim to the railroad company?—A Nothing.

Q. Is he paid by the Reading Railroad Company?—A. No, sir.

Q. Is he paid by the iron company?—A. I do not know; I do not think his salary has been fixed.

Q. Then he actually, in this case, is the authorized agent of the Reading Railroad Company?—A. No, sir; he is simply president of the coal and iron company.

By the CHAIRMAN:

Q. Who appointed the directors, or rather who elected the directors?—A. I held a proxy for every share of the stock of the Reading Railroad at the last election on the 9th of January, and I voted these proxies myself and made up my own board to represent it. I got every shareholder of the Reading Railroad; and so when Mr. Keim was elected president he made up his board in the same manner as I did myself.

Q. Please tell us what has been the business of the Reading Railroad Company since this strike commenced as compared with what it was before the strike; say, compared for one month since the strike with the one before. What has been the falling off?—A. It has been very large, and I could not give it to you.

Q. The committee will thank you to give it to us.—A. If you will allow me time. You may ask for anything; we will give you any statistics and papers from the office, or I will give you an opportunity of coming and examining any papers you desire.

By Mr. ANDERSON:

Q. In connection with the data which Mr. Corbin is desired to furnish, I would like to know what the number of the stockholders is in the Reading Railroad Company.—A. The stock now is held in the name of what was known as the committee of reconstruction trustees, and there has been appointed a trust, consisting of Messrs. Morgan, Pierpont, John Wanamaker, Welsh, and myself. I could not give you the actual owners, as the stock is distributed very largely now. I should say there might be from three to five thousand.

Q. How many individuals own the majority of that stock?—A. It would take a great many to make a majority. I say there is very little of it, as far as I can judge, now held in large lots.

Q. Some parties must have a control of the majority of the stock?—A. No, there is no syndicate or any ring that has got any control of the Reading. It is widely distributed, and of, say, perhaps 800,000 shares, I do not believe there are 100,000 of these 800,000 shares that are held in considerable blocks; the balance is divided into 25, 50, and 200 and 300 shares.

Q. How did the stock become placed in the hands of trustees?—A. Under the plan of reorganization.

Q. Can you furnish us that plan?—A. Oh, yes, sir; I will get you a printed copy of it.

By the CHAIRMAN:

Q. You said awhile ago that the freights on the Reading Railroad Company have fallen off very largely since the strike, and of course the profits of the Reading Coal and Iron Company have also fallen off much more?—A. I might correct you by saying that there has not been any falling off, but the losses have been very heavy.

Q. The losses have been large?—A. The losses have been large and the profits nothing at all.

Q. That was a slip of the tongue. Now, these losses have been very severe, and it is charged that probably there is some pooling or sharing of the losses or profits by the different railroad companies and these mining companies. Does the Reading Coal and Iron Company or the Reading Railroad Company get any share or pooling for the losses which these two companies have suffered in consequence of the strike, either from the Pennsylvania system, the Lackawanna system, or any other system?—A. There is no such thing known. I wish some of these fellows had to make up my losses, but they do not. You mean as to whether there is any pooling?

Q. Or any agreement in regard to pooling?—A. There is no agreement; no understanding; no nothing.

Q. So you get none of the benefit from the rise in price of coal in consequence of these strikes or lockouts?—A. On what little we produce we of course do.

Q. I mean do any of the railroad companies or coal companies share the profits with you in consequence of the rise in price?—A. No, sir; they do not. There is nothing of that kind.

Mr. STONE. I desire to know before we adjourn for dinner whether you have any further matter which you would wish to lay before the committee?

The WITNESS. I have prepared some things.

The CHAIRMAN. If there is anything, or any further papers which you desire to present, we will take them.

The WITNESS. I forgot to give you this one.

Mr. CHIPMAN. Have you the letters and telegrams to which these are in answer?

The WITNESS. Yes, sir.

Q. Both sides of the correspondence?—A. Yes, sir.

EXHIBIT 18.

[T. V. Powderly, of Pennsylvania, chairman; John W. Hayes, of New Jersey, secretary; William H. Bailey, of Ohio; Thomas B. Barry, of Michigan; Albert A. Carlton, of Massachusetts; Thomas B. McGuire, of New York; Ira B. Aylsworth, of Maryland. Office of General Executive Board, order of Knights of Labor of America.]

PHILADELPHIA, *February* 7, 1888.

DEAR SIR: Will you kindly say whether or not you will meet a committee of the general executive board of the Knights of Labor for the purpose of investigating and if possible settling the trouble at present existing between the Philadelphia and Reading Railroad Company and the Philadelphia and Reading Coal and Iron Company and their employés.

I remain, sir, very respectfully,

JOHN W. HAYES,
Secretary General Executive Board.

AUSTIN CORBIN, Esq.,
President Philadelphia and Reading Railroad Company, Philadelphia, Pa.

EXHIBIT 19.

THE PHILADELPHIA AND READING RAILROAD COMPANY,
GENERAL OFFICE, 227 SOUTH FOURTH STREET,
Philadelphia, February 9, 1888.

DEAR SIR: Your favor of the 7th instant was not handed to me until half past 10 this morning. In reply I beg to say that I know of no trouble existing between the Philadelphia and Reading Railroad Company and its employés, and, consequently, there is nothing that can be made the subject of investigation and discussion.

You speak also of the troubles between the Philadelphia and Reading Coal and Iron Company and its employés. In relation to such matters you should properly address Mr. Keim, the president of that company, but to save you the trouble of writing another letter, I have handed him your communication to me, with a request that he respond to it.

I am, very respectfully, yours,

AUSTIN CORBIN,
President.

Mr. JOHN W. HAYES.

[George deB. Keim, Stephen A. Caldwell, Austin Corbin, receivers of the Philadelphia and Reading Coal and Iron Company. General office, 227 South Fourth street.]

PHILADELPHIA, *February* 9, 1888.

DEAR SIR: The president of the Philadelphia and Reading Railroad Company has handed me your letter to him of the 7th instant, with the request that I reply to that portion of it relating to the troubles existing between the Philadelphia and Reading Coal and Iron Company and the miners. I assume that you are familiar with the contract made between this company and its miners last September. In violation of its terms, nearly all of the employés of the company left its service on the 1st day of January last, and a large number have not returned. There are at present working for the company at the mines about three thousand men, and there would be a much larger number at work if the men were left to exercise their own judgment, and were not deterred by threats of personal violence.

We are willing to discuss the question of wages with any persons representing the men actually in the service of the company. As we have stated heretofore, if the men had continued at work under that contract after the 1st day of January, and had, at any time thereafter, desired a conference in relation to the matter of wages, the officers of the company would have met them, or their representatives, on that subject. If and when the miners return to work a conference upon the question of wages should be desired on their part, we shall be ready to confer with them, with the understanding that no basis different from the one already in existence will be established that will require this company to pay more for labor for the same class of work than is paid by its competitors.

Yours, truly,

GEORGE DEB. KEIM,
President.

MR. JOHN W. HAYES,
Philadelphia.

In connection with this matter I think I ought to say to the committee that I suppose when you are entirely through with the examination of everybody whom you may choose to examine, you will get a better idea probably of this whole business and get a better idea of these men and the relations between the miners and the operators if you were to go to the mines themselves.

The CHAIRMAN. We propose to go there.

The WITNESS. I was going to say that, if you will allow me and you would not consider it going out of the way, I would like to have you do me the favor of allowing me to give you a special train to go up there, and send with you the superintendent and general manager, so that you may go to the mines just as you may desire. It would not give us any trouble in any way.

Mr. ANDERSON. I would suggest, Mr. Chairman, that we go by the regular train and pay our own fare. I do not want to be under any obligations to the company in any way.

Mr. CORBIN. You will excuse me for explaining, but it is difficult and not very comfortable to go on these regular trains on these lateral lines running where these mines are. I did not do it because I wanted you to report in my favor or against me, but simply as a matter of convenience to this committee.

The CHAIRMAN. Congress has furnished us with enough money to pay our own fare, and I presume that would be the best.

Mr. ANDERSON. Of course I do not impute any motive to Mr. Corbin other than a desire for our comfort, but in this matter I think it would be more advisable that we should go on the regular train and pay our own fare.

The CHAIRMAN. Have you anything more to say?

The WITNESS. I am going to give you this as general information:

For a proper consideration of the strike upon the Philadelphia and Reading Railroad, as well as of the strike of the miners of the Philadelphia and Reading Coal and Iron Company, it is necessary that the relations of the two companies should be fully understood. In connection with a statement in respect to these matters it is well to bear in mind some other facts which are pertinent to the consideration of these questions.

(1) Anthracite coal is not protected by any tariff duty. The importation of anthracite coal is free at all points on our sea-board, and the anthracite-producing coal companies are compelled to meet the competition of foreign anthracite coal-producing regions. The duty upon coal is upon bituminous coal, and not upon the anthracite coal which is produced by the anthracite coal region of eastern Pennsylvania.

(2) Anthracite coal is usually spoken of as a raw product, but it is not strictly so in the ordinary sense of that term. In this connection I submit a statement of the operations of the company, prepared by the general manager, which I believe fully and accurately presents the facts in regard to this matter:

The estate of the Philadelphia and Reading Coal and Iron Company consists of a large body of lands situated in the counties of Dauphin, Schuylkill, and Northumberland, and comprises 165,189 acres, of which 94,393 acres are coal-lands, and on which are situated 65 collieries, exclusive of small operations. The company employs to operate these collieries 19,150 persons. Its mining operations are now mainly conducted in the Shamokin, Mahanoy, and Shenandoah coal basins. (The basins of coal in the southern or lower portion of the Schuylkill coal-field, being generally very deep, are not now so available for development. It would not be possible to develop and operate the southern and deeper portions of the coal-field, the bottom of the basins which are from 2,000 to 3,000 feet below the surface, in competition with the coal basins now being mined as above stated.)

The process of mining and preparing anthracite coal for market does not consist in merely mining the coal and dumping it as a raw product into the cars. On the contrary, it is properly to be regarded as partaking of the character of a manufactured product. The main bulk of the coal which is now being mined is reached by means of shafts or slopes, which are sunk to or towards the bottom of the basins wherein the veins of coal are situated, and the driving from the said shafts or slopes, at various distances, gangways along the veins at different levels, so as to permit the mining of the coal from the veins. This operation is conducted by skilled miners, who are required to have years of experience in the mines to qualify them for the performance of their duties. The mining of coal in the anthracite coal region is, in very many localities, attended with great danger, owing to the presence in the veins of noxious and inflammable gases, and the proper protection of the men employed in the mines as well as of the mines themselves requires, under the provisions of the mining laws of this State, that the mines be timbered and supported throughout, and that extensive and costly machinery be provided by which currents of fresh air can be carried to the different parts of the workings. In order to guard against the the flooding of the mines, extensive machinery is required to be erected to pump the water out of the mines; while for the purpose of hoisting the coal from these great depths powerful machinery is also required. These provisions are all necessary to enable the coal to be mined and brought to the surface; but when it reaches the surface, which it does, generally, in large masses, mingled with dirt, refuse, stone, and coal of inferior qualities, it has to be prepared for the market. This involves the erection of coal breakers, which are large timber and iron structures, generally from 75 to 90 feet in height by from 40 to 150 feet in width and depth, in which are placed the machinery for the breaking and preparing of the coal. After the coal is dumped at the top of the breaker, a certain portion, known as lump and steam-boat sizes, is picked out by hand and thrown into large chutes prepared to receive the same, while the balance of the coal, constituting probably 85 per cent. thereof, is passed into rolls which are arranged to break and crush the coal into various sizes. From these rolls the coal, after being crushed, passes into large screens, where the dirt and refuse is sifted therefrom, and through the various sizes of the meshes of the screens the coal is passed into chutes prepared for the same; and as it passes into these chutes it is picked over by hand by boys who are employed for that purpose, and the slate and refuse coal are thrown aside. Very many of the plants which are required to prepare anthracite coal for market are very expensive, many of the largest breakers costing as much as $60,000 to $75,000 each, while as much as $535,000 has been spent on the improvements and equipments of a single colliery. An ordinary colliery producing 200,000 tons per year will cost about $225 000, and requires the employment of about 625 persons to mine and prepare the coal for shipment.

this statement it will be seen that anthracite coal, as prepared for market,
ntirely from other coal fuels. This process of preparing coal for use, and the
on into sizes for the various domestic uses to which anthracite coal is applied,
prevail in the mining of bituminous coal. The latter coal is dumped at once
mmon receptacle for all the coal, from which it is loaded directly into the
shipment to market. It requires but a comparatively inexpensive plant, and
inery is required for crushing and separating the coal.

process of preparing anthracite coal for market is thus necessarily a very ex-
one, and the plant required for the mining and preparing of such coal is fully
, as to cost and complexity, if not greater than that attending the creation
ration of ordinary manufacturing business. This special preparation (and
plant expense) which is necessary to put anthracite coal in condition for use
seldom apprehended, and it is treated in common discussion as if it were
a raw product drawn from the mines and dumped into the cars for shipment
intermediate preparation. This preparation, which is absolutely necessary
e as fuel, in addition to its expense, is also attended with great loss. Fully 33
t. of the product mined and paid for in the mines must be dumped as waste
l into the coal heaps at the breaker, being unsalable and not capable of being
in any way.

has been an increase in the cost of mining coal of late years, growing out of
that fifteen to twenty years ago coal was generally mined from points at or
e surface, and from coal basins which were readily reached and opened at
xpense, while by the exhaustion of these readily available coals the operations
nt have now generally to be conducted at much greater depths; and the in-
of cost would have been still more augmented over what it has been in past
ere it not that by the introduction of modern mining appliances and the
n of methods for the more rapid handling of the product mined, and its more
preparation in the breakers, these disadvantages have been in part overcome.
operations of mining coal by the Philadelphia and Reading Coal and Iron Com-
re as economically and well-conducted as they are in any portion of the an-
e coal-field, having due consideration to the character and size of the veins
l.

average prices received by the Philadelphia and Reading Coal and Iron Com-
rom 1881 to 1886 were, from the official reports of the company, as follows:

	$1.91
	1.875
	1.881
	1.811
	1.652
	1.537
	1.849

gave us for our coal per ton only about 23 cents, which is not more than two-
what is actually paid as royalty on lands mined by operators on leased lands.
ng the last six months of the year the market requires about 3,500,000 tons of
against about 2,500,000 tons of coal per month during the prior six months.
the collieries were opened and operated with a capacity simply to produce the
t required for the first six months of the year, they would be unable through-
remaining six months of the year to produce by about 6,000,000 of tons the
t necessary to meet the requirements of the market. The creation of a colliery
ty to supply the market during the last six months of the year necessarily re-
n the creation of a plant which, during the first six months of the year, if
d to its full capacity, would result in a production of 6,000,000 of tons more
he market would require during that period. These factors in the supplying of
ite coal for the market are ones which are not created, nor do they result from
gulations made by the coal producers, but they are factors which inhere in the
ature of the trade itself, which has a demand during the last six months of the
hich it does not have and can not have (from the very nature of the product to
good during the first six months.

to the incorporation of the large coal companies and the concentration of min-
o the hands of large producers the coal business, during a portion of the first
nths of each year, was almost entirely suspended by the producers, and the
during such months, were without the opportunity of working or the means
uring a livelihood in the operation of the mines, and this season of the year
ployed by the operators in extending the works and bringing them up to a
y to enable them to supply the coal during the latter months of the year. In
y at overproduction and the sending of coal in advance of the ability of the
to take it or the companies to transport it was avoided. It has been the
f the Philadelphia and Reading Coal and Iron Company, as well regarding
interest as the interest of those who labor for it, to make the period of pro-

duction as constant throughout the year as the demand of the market would permit, and to give to its labor employment during the winter months and early spring months, as well as throughout the busier portions of the year, and it has, so far as the circumstances of trade would permit, always endeavored so to do. The effects of overproduction beyond the needs and requirements of the market would be, first, that the storage depots at the terminals of the railroads would become stocked with coal; next, the coal in the cars would remain unloaded, and the breakers, which can be operated but for a day or two without cars, would then become filled with coal, the results of which would be that the laborers engaged in the transportation of coal over the road, the railroad equipment of the company, the breakers of the coal and iron company, and the mines themselves would be compelled to suspend all operations until the oversupply could in some way be disposed of. This is not theory, but has actually repeatedly occurred whenever there has been any overproduction. The results of such a course of management of the coal business have been, first, that the companies have been compelled to transport the coal at unremunerative rates; second, that the coal, which has been mined at great expense, has been sold for less than the cost of mining the same; third, that the labor employed in the mining of coal has been compelled not only to suffer the loss of earnings from being employed with less regularity, but at wages less remunerative.

(3) Something has been said before your committee in regard to the restriction of production on behalf of the coal companies. Since I have been president of the Philadelphia and Reading Coal and Iron Company (January 1, 1887—though I was elected a few months prior to that date) no restriction whatever of any kind or description has been attempted by the Philadelphia and Reading Coal and Iron Company or the Philadelphia and Reading Railroad Company in the output of anthracite coal, but the market was supplied with all the coal it possibly could take and the year shows that the output of anthracite coal was the largest in its history, being more than 34,000,000 tons. There is a great deal of misapprehension growing out of the fact that it is not generally understood why during certain portions of the year the output is necessarily larger than during the remainder of the year; and why, in the same year, work can be maintained for more days in some months than can be maintained in others. A very large portion of the anthracite coal mined in Pennsylvania is sent to points without the State. Many millions of tons (about four millions annually) are sent west from Buffalo. From the close of navigation on the lakes until its opening in the spring there can be no coal shipped to northwestern or western points. For the same reason, by the cutting off of water communication, New England's supply of coal is largely decreased. The customs of the trade, since coal began to be mined and when the production was shipped by canal, have led to the supply of coal being put in by consumers during the latter portions of the year for winter use. Therefore the force necessary to supply the coal required during the last six months of the year has always enabled it to produce an amount in excess of the ability of the market to take during the earlier six months of the year. The facts which I now state in regard to this matter are, I believe, beyond controversy, and when properly understood fully explain this matter, which has been greatly misapprehended.

(4) The policy of the State of Pennsylvania for many years was to grant to its railroad and canal companies the right to own coal lands and to mine coal therefrom. This from the earliest times continued to be the policy of the State until the year 1874, when by the provisions of the new constitution a different rule was established. For the future such union of interests was prohibited. Prior to the year 1870 the railroad companies that possessed the right of mining coal as well as of transporting it were the Delaware and Hudson Canal Company; the Delaware, Lackawanna and Western Railroad Company; the Pennsylvania Coal Company; and the Lehigh Coal and Navigation Company

The Lehigh Valley Railroad Company, though not originally so authorized, acquired the same right to be both a miner and shipper of coal. About the year 1870 some of the other railroad companies, possessing mining rights, commenced to extend their railroads into Schuylkill County, and threatened to absorb the coal lands of the region through which the Philadelphia and Reading Railroad passed, and the coal which was distributed by that road to the markets tributary to it. By this means it was threatened with the loss of its coal tonnage, and the question was presented to it whether it was better to create a corporation which could hold these lands tributary to the Reading Railroad and its system and the markets which they had always supplied, or whether the other transporting companies of the State should be permitted to absorb these coal lands, and so divert their traffic from the Reading system. This state of affairs, which was not brought about by the Reading Company, but which would have tended to sacrifice all the capital invested in it and to deprive the railroad of the means of sustaining itself, led to the incorporation of a coal company in 1871, which became, prior to 1874, the owner of about 100,000 acres of coal lands, being those principally in the Schuylkill and Mahanoy regions, which are tributary to and whose product had always been shipped over the Reading Railroad. The dates of the acts of incorporation under which the companies are incorporated are as follows:

> The Philadelphia and Reading Railroad Company was incorporated under the act of the general assembly of the Commonwealth of Pennsylvania, approved on the 4th day of April, 1833. The said act of incorporation, and the several supplements thereto, vested in said company corporate rights, which constitute, as between the said company and the State, an irrepealable contract, which has not been, and could not be, affected or impaired by subsequent legislation, or by the adoption, in 1873, of the provisions of the new constitution of the State of Pennsylvania; and the said company is entitled to exercise all the corporate powers vested in it, unaffected and unimpaired by the provisions of the new constitution of the State of Pennsylvania.
>
> The Philadelphia and Reading Coal and Iron Company was incorporated, under the name of the Laurel Run Improvement Company, on the 18th day of May, 1871. By a decree of the court of common pleas of the city and county of Philadelphia, the name of the said company was changed to the Philadelphia and Reading Coal and Iron Company; by the said act it was authorized to have perpetual succession, and all the powers, privileges, franchises, immunities of a corporation. By the said act the said corporation was to have power to mine, purchase, sell, and transport coal, and to mine and manufacture iron; and for these purposes the company might acquire, from time to time, by purchase, lease, or otherwise, such lands as they might deem expedient, and might construct all necessary buildings and fixtures necessary for the business of mining and preparing coal for market, mining and manufacturing iron, and the accommodation of all persons engaged in the said business; and it was further provided in and by the said act, that it should be lawful for the president and directors of the said company to subscribe for and purchase the stock of any other incorporated company in the State of Pennsylvania, and for any railroad or mining company existing under the laws of this State to subscribe for or purchase the stock of any company thereby incorporated. The Philadelphia and Reading Railroad Company, a corporation incorporated under the laws of the State of Pennsylvania, in pursuance of the powers vested in it, in and by the said act of 18th of May, 1871, and the authority vested in it in and by its charter of incorporation and the several supplements thereto, became, on and before the 1st day of January, 1872, the owner of all the capital stock of the Philadelphia and Reading Coal and Iron Company, which stock, with its increased stock, is now represented by [illegible] shares, upon which had been paid $50 per share, amounting in the aggregate to the sum of [illegible]. The said act of incorporation of the Philadelphia and Reading Coal and Iron Company vested in the said company corporate rights which constitute, as between the said company and the State, an irrepealable contract which has not been, and could not be, affected or impaired by subsequent legislation, or by the adoption, in 1873, of the provisions of the new constitution of the State of Pennsylvania.

I am informed that it is a fact, though I have no personal knowledge of it, that prior to the incorporation of the Philadelphia and Reading Coal and Iron Company the coal business in the region wherein operations are now conducted by the Philadelphia and Reading Coal and Iron Company was so precarious that few, if any, of the operators were able during any extended period of time to accumulate anything out of the business, but that it is a matter of common knowledge that general and constant failures among the operators were the rule, which were very frequently attended by great losses to the miners, by reason of the non-payment of their wages. Besides, at that time, in that portion of the coal region, company stores and individual stores were maintained at nearly all the collieries, and were regarded as very oppressive to the miners. Since the Philadelphia and Reading Coal and Iron Company began operations in that region every man who worked for it has received his wages in cash—the money that the men earn is paid directly to them, no deductions are made therefrom for any purpose throughout that portion of the territory operated by the Philadelphia and Reading Coal and Iron Company; store orders and other like means of payment of the men have been entirely abolished so far as our company is concerned. I may say that no set of men ever had or could have fairer treatment than that which is accorded to our miners by our general superintendent, Mr. S. B. Whiting. He is a man of excellent capacity and extended experience, a just and upright man, and so far as I have been able to consider his dealings with the men under his employ I am sure that they could not apply to a man more desirous of doing them justice on any and every occasion; and I am satisfied that if the truth be told in regard to the manner in which the business of the company has been conducted with the men, that they will, as they should, give him the credit of treating them, on all occasions, with courtesy and fairness.

Mr. STONE. With reference to the price of anthracite, is it not affected by the price of bituminous coal?

The WITNESS. Most people would say yes, but I do not think so. We have a demand for anthracite coal as anthracite, and like a certain quality of goods, people will have it if they have to pay high for it. Mr. Willen thought that nine-tenths of the anthracite was used for domestic purposes, but I do not think to so large an extent it is.

By the CHAIRMAN:

Q. If this restriction continues they will have to resort to bituminous coal?—A. I do not think it will continue. I want to say to the committee that there never was a time when our miners could have made as much as in the month of January. No miner who digs a ton out of the ground would have been paid as much in the month of January as our miners would if they had remained at work.

Q. Can not the railroad pay them the 8 per cent. and resume work?—A. No, because we pay them just that much additional to the increased price. As I said, when the coal sells for a higher price they get the advantage of it. The Wyoming Valley pay their men so much a wagon and they load so much a day. It does not make any difference to them whether coal sells at $3 a ton or $5 a ton, the men get the same wages.

Q. What do you mean by the wagon-load?—A. I mean by a wagon-load, a car-load that is used in the mine. These men are paid by the quantity, and I say they get so much for a wagon-load of coal in the Wyoming Valley, as I understand it. They mine a certain quantity of coal and they get no benefit of any advance in the price of coal. Now, our men have all the benefit that the company has of an extra advance in the price of coal; that is, when our coal passes the $2.50 basis we give one-third of the profit to the miners. Now, if the coal and iron company were to increase this payment beyond our basis, it would be practically 8 per cent. beyond what is paid by other companies who have fixed payment in wages, and we would be paying as much as they do and paying 8 per cent. advance on the wages and one-third of the profit; so we could not afford to mine the coal if we have to pay so much additional for it. We can not compete with anybody.

Now, I want to call your attention in this connection before I leave the subject to the fact that notwithstanding the price of coal during 1887, and notwithstanding the fact that we did not charge our company more than other people that based upon our system of wages and expenses, this company only realized 23 cents a ton net money for the coal it took out of the ground. There is no coal owner in the State of Pennsylvania to-day I believe that will let you mine his coal for 25 cents royalty. As far as I know everything was managed as economically during 1887 as could be. We considered Mr. Whiting one of the best men for mining coal in this country. He is a man who can get proper work done for proper pay. We have done our best in 1887 and all we have got is 23 cents a ton. Now, do you regard us in a condition to pay that 8 per cent.; if we did we should not have anything.

The **CHAIRMAN.** If you lease out your mines what is the royalty that you get?

The **WITNESS.** I say we only got 23 cents. We would not lease for that price. We have not got a fair price for our coal. Our earnings have gone to labor and muscle.

Q. You have got about one-sixth the capacity of your mines operating now; about what is the company getting per ton for the coal it is mining at present, say in January?—A. Mr. Whiting will give you that information. There is one thing more, but I could come again after dinner.

Q. We will want to ask you some questions after dinner.

Mr. **PARKER.** There is one question I wish to ask you, and it is this: Does the railroad company itself, except as a stockholder of the coal and iron company, own mining land?—A. No, sir; it does not.

Q. Does it operate or lease mining lands?—A. It does not.

Q. Then the railroad company has nothing to do with coal except as a common carrier?—A. Nothing else, sir.

I wish to put in a statement which I addressed to the miners, as part of the history of the mining strike. There does not seem to be a date on it, but I think it was sent out on the 30th of December, 1887. I addressed a circular to the miners; I do not know that you want me to read it, as it is a little long. It was distributed to them on the 31st of December. It is a letter which I wrote and which was sent out by the general manager. We talked it over a good deal, and the letter was sent from here to Mr. Whiting. That is a statement in regard to the matter of labor at the mines. It was following out the lines of this statement, and if the committee will allow me I would like to read it.

The **CHAIRMAN.** Read it, then, sir.

Statement by the president of the Philadelphia and Reading Coal and Iron Company to its miners in the Schuylkill region.

To employés of the Philadelphia and Reading Coal and Iron Company:

It is not possible for the officers of the Philadelphia and Reading Coal and Iron Company to meet you face to face and give you their views in regard to the present situation, and without a statement from the company it is more than probable that you may be prejudiced against it, even if the attitude of the company is not misrepresented. We want you to understand the company's position. On the first day of

September last a committee representing you made a request for an increase of wages. At that time the company was paying its miners more than any other company paid its miners in the anthracite coal trade, taking into account the very large proportion of their percentage over the 2.50 basis that you received from the Reading as against the smaller percentage received by miners from other companies.

It did not seem possible for us to accede to the demand for the reason expressed, that your wages were then higher than those paid by other producers of coal, and you understand the laws of trade well enough to see that if your neighbor buys his goods for 90 cents, while yours cost you $1, he can do his business and sell his goods at a small profit, against a sale of yours at a loss, and it is only a question of time when he will drive you out of the business. What is true in a small trade is true in a large one, and if this company should undertake to pay more for its labor in the mines and elsewhere than other companies pay for their labor, the result would be that in time, under such a policy, it would be bankrupt, would be obliged to close its collieries, and that you, instead of receiving an advance in wages, would receive none at all.

You are just as much interested in keeping open and in full operation the Reading collieries as the company is. Notwithstanding this, appreciating thoroughly the importance of having all our miners friendly to us, and have them believe that we are at all times not only willing but anxious to treat them generously, we conceded your demand in so far as this, that we would increase the basis for four months, with an agreement that if there was no change in the mean time on the part of other operators, and increase of wages by them, you would return to the old basis.

The new management of the Reading has been in control of its business for a little more than one year. I ask you to look over the matter of wages during the past ten years, and see if you have ever had work more steadily, and at better averge paying prices, than you have had during the last twelve months. This company has made great efforts to maintain good prices for coal, which means to you, certainly, under the old basis, good wages for your work, because after coal reaches $2.50 at Schuylkill Haven you receive, under that old basis, 1 per cent. advance in your wages with every 3 cents advance in the price of coal, and if good prices for coal can be maintained under that old basis, you will always be in receipt of good wages. It will be impossible for this company to pay more for its labor than other companies do, but this company will never pay less than other companies pay.

What you all want, as I believe, is to have steady employment at fair wages. A strike in our mines would simply mean an increase of the price of coal at other mines, large profits to the other companies and their miners, a great loss to the Reading Company, and a comparatively greater loss to you. This is the argument we have to make to you on general principles. Is it not a fair and just one?

But there is still another side to this case which we wish to present to you. That contract made in September was a very fair one. I will give you a copy of it. Here it is:

"The Philadelphia and Reading Coal and Iron Company are to raise the present schedule of basis price for wages and contracts 8 per cent. from September 1, 1887, for four months, or until January 1, 1888. If a settlement is made with the other coal companies (Lehigh) before that time the Philadelphia and Reading Coal and Iron Company is to adopt whatever advance in basis rates is agreed upon by all the other companies, or in case no agreement is reached by January 1, or the non-return to work at former rates, then and in that case the Philadelphia and Reading Coal and Iron Company are to return to the payment of the $2.50 basis schedule of prices as paid up to September 1, 1887."

It was signed by our superintendent, Mr. Whiting, and by your representatives. It is plain in its terms. We have kept it in good faith and treated you honestly, paying you every cent that you were entitled to have under it, and amounting in the aggregate to very large sums of money, and now, on the 31st day of December, by this agreement so plainly expressed, the advance which we agreed to give ceases, and you, under your part of the agreement bound yourselves to continue on the old basis, which, as I have said, gives you considerably more money for your labor, in case of good prices for coal, than is realized by miners in other localities.

Let me present the case in this light. Suppose that on the first day of last October we had found that we were paying more than we ought to pay (as we really did); that there was no likelihood of any change in the situation, we had said to you, "notwithstanding our agreement we have made with you, we can not afford to, and, therefore, will not, pay the increase of wages." Suppose, I say, we had violated, in that open way, the plain contract honestly made with you, what would you have said of the Reading Company? I do not ask you to express it; but think it over. The contract, as I say, was a fair one, and made with a thorough understanding of what its contents were by both parties. We have fulfilled our portion to the letter. Indeed I would not remain a moment at the head of the Reading Companies, and see a contract with our miners, as fairly made as that was, violated.

I believe that when you understand the situation as explained to you in this paper, your answer will be to any man who asks you, that there is our *contract* which we have made with the Reading: the company has performed its part of it faithfully, and now we, as honest men, are going to perform our part of it. I believe you are. I certainly hope you are, because we can not increase the wages in our mines unless other producers increase theirs, and a stoppage of work in our mines means a great loss to this company and to you. I believe you will appreciate thoroughly the fact that we can not pay wages in excess of others. If you do, then remain at work under the basis, with a pledge from us that whenever there is any increase in *any* other region you shall *always have the benefit of it.*

We do not want you to abandon the work, which means a long period of losses to us and to you, without thoroughly understanding the situation, and I believe we shall certainly lose nothing, if we gain nothing, by presenting to you in this plain way our views of the case, and ask you to consider the points we make before you take a position antagonistic to your own interests as well as to ours, for when the Reading suffers a loss by the closing of its mines for any reason you necessarily suffer also. I repeat that I believe you will make good your part of the contract until, under some new condition of things, there is reason why it should be changed. Neither you nor we can afford to violate a contract fairly made between us.

AUSTIN CORBIN,
President.

Now, gentlemen, this is a copy of the contract, the only contract they made (referring to the one in the statement).

Mr. ANDERSON. Mr. Chairman, I think it will be well to have this appear in the record exactly as it appears in the circular.

The CHAIRMAN. I think it is proper to do so. No doubt the other was sent to Mr. Davis.

Mr. ANDERSON. I think it should appear on the record and precisely as it is here (referring to some pencil alterations in the circular).

Mr. PARKER. I think as that is an independent document you could leave that as it is. I think that is right.

The CHAIRMAN. Have you any other papers in which alterations were made?

The WITNESS. Yes, sir; there was a correction in the letter of General Manager McLeod to Whiting. There was a letter prepared here by the receivers and submitted to me in New York. I discovered the error yesterday afternoon, and I wish to correct it and put it as it should be. There was a circular prepared to be sent out on the 22d of December. They made application to know from us what we were going to do on the 1st of January. Several times they asked us, and of course we were not prepared to say what we could do on the 1st of January, and our answer always was that we expected the men to go to work and keep working on the 1st of January. That was the answer they generally received, and that has been our reply ever since we have been discussing the matter. And just about that time Mr. Davis, representing the committee, wrote to Mr. Whiting, or at all events the question was brought up, and Mr. Davis was sent here to the receivers to know what we had to say in regard to giving any advance in wages after the 1st of January.

A circular was prepared here in Philadelphia and sent to them by Mr. Keim and Mr. Caldwell. I happened to be in New York at the time, and they submitted it to me by wire. In the mean time I left the memorandum here for copies of the letters to be inserted at the proper place. They copied the letter that was sent from here. The matter was submitted to me by wire in New York, and I wrote another letter intended to be exactly like the one sent from here, with the addition of several words which I will read if Mr. Whiting will get the telegram I sent him. My letter was sent to Mr. Whiting, who was ordered not to use the letter which went from here, but in drawing up this letter it was not made exactly like the other one, and this was the letter used by Whiting in conveying to the men the views of the management a what it should do after the 1st of January. This was sent out as formation by the company as to what their position was in referenc the work after the 1st of January:

THE PHILADELPHIA AND READING RAILROAD COMPANY,
Philadelphia, December 22, 18

Mr. S. B. WHITING,
General Manager, Pottsville, Pa.:

DEAR SIR: By direction of the receiver I am authorized to address you as foll In September last the receiver made with the men the following contract:

The Philadelphia and Reading Coal and Iron Company are to raise the pre schedule of basis prices for wages and contracts 8 per cent., from September 1, 1 for four months or until January 1, 1888. If a settlement is made with the other panies before that time the Philadelphia and Reading Coal and Iron Company adopt whatever advance in basis rates is agreed upon by all the other companie in case no agreement is reached by January 1, as the men return to work at the mer rates, then and in that case the Philadelphia and Reading Coal and Iron C pany are to return to the payment of the $2.50 basis schedule of prices as paid u September 1, 1887.

You are authorized to say to the men as follows: That we have lived up to our of the contract rigidly, and now we expect the men to perform their part by con uing to work after January 1 on the old basis, unless the Lehigh Valley miners sh return before that time at an increased schedule of wages. That is what the agreed to, and we expect them to perform their part of the agreement as honestl we have ours. At the same time say to them that we will pay at all times as wages as other coal companies, and have always been, and are now, in favor of ing good wages to our miners, believing that we can always get from the public, that the public are always ready to pay, fair prices for coal rather than that the m should be underpaid.

Yours, truly,

A. A. MCLEOD,
General Manag

The CHAIRMAN. Who was Davis?

The WITNESS. He was chairman of the Amalgamated Union. I not remember the name, but he was representing the miners at t time.

Q. He was the same witness who testified in Washington?—A. same one, I have no doubt. That is the letter which was used by Whiting in conveying the information, and not the copy of the let he had received beforehand from Philadelphia, and he was directed substitute this, which was substantially the same thing, except in a words:

> We have been ready at all times to take up the question of wages after the returned to work. We have declined, and do decline, and shall decline, to discuss question of wages with them while they are out on a strike.

Q. But if they go to work?—A. We have said to them, and I am re to say it again, that which was said to these men in the beginnin this controversy, "You go to work and then we will confer with any resentative of your men that are at work and are not out on a str We will confer with you and agree to give you as much as anyb gives you." I am prepared to say to-day that if the miners of the Sch kill Valley should desire to adopt a basis of any other coal-produ company, I do not mean private collieries, but great coal companie competition with us, I am prepared to say in behalf of Mr. Keim the coal and iron company would be perfectly willing to authorize Whiting to make the basis to correspond with the basis of any o coal-mining company in this country. We can not pay higher; it is of the question, because we can not sell coal in the competitive mar and the only places we could sell it would be where there is no competition along the line of the road, and if we undertake to charge consumers along the line of the road more than other people it would simply drive them off our road. My own opinion is, and I think I understand the situation very well, that these miners would never have gone out except for the purpose of supporting the railroad strike. They have been acting together all the time. They have said that there was to be no settlement of this thing until the railroad strike was settled. We find that these collieries that gave an advance to the miners of 8 per cent. that they would not allow the men to go back because that coal which was hauled over the Reading Railroad was boycotted coal. Only for the last two or three days have they allowed these men to work in the private collieries, notwithstanding that they had the advance.

The CHAIRMAN. Where did the company get laborers in place of the strikers?

The WITNESS. They are nearly all citizens, but they come from a dozen different States.

Q. Do you pay them any increase of wages?—A. Not at all.

Q. You pay them the same wages the strikers were getting?—A. Yes, sir. We have since then had a good many demands for work. I have a half a bushel of letters from well-recommended men who desire places. There is no difficulty about getting these men. I would like to ask this committee to summons some of the police and question them, for instance, Captain Christian, head of the police, and ask him what has been done in the mine. They have had able-bodied men 6 feet tall and weighing 180 pounds with clubs in their hands pounding small boys who work on the breakers trying to earn a living for themselves and their mothers. They have pounded them in the street and assaulted them, and we have had to protect our labor there from that sort of attack.

Mr. PARKER. At what point was this?

The WITNESS. Along in the Shenandoah Valley. Mr. Whiting will tell you stories that will make your heart bleed. People who are anxious to work, and anxious to obtain bread and meat, are not allowed to work because the men are out on the strike. They have been assaulted by men who are largely non-residents, mostly Poles, Huns, and others. I do not know that I should charge it upon one nationality more than another.

By the CHAIRMAN:

Q. Please tell the committee what was the impulse that brought so many Italians, Huns, and Poles into the anthracite region?—A. Generally to mine coal.

Q. You do not know what particular influence brought them?—A. No; except a desire to earn money.

Q. You think they came spontaneously?—A. I have no doubt of it, sir.

Q. Do not you think that the mining company or the railroad company had something to do with inducing them to come?—A. Not especially. The great bulk of people trying to work there are citizens and such men as who are brought up in the territory there. As I have stated here to-day, I do not object to labor organizations. It is not my business, and men can belong to a labor organization that he may choose, just as he can belong to the church, or vote for the Republican party, or vote for the Democratic party. That is none of my business. If he wants to belong to the Knights of Labor or the Amalgamated association, or any other association, he has the right to do it. I am willing to employ any man who does his duty by this road. But I say it has got to a pretty fine pass when men who are trying to earn a living and make something to save themselves from starvation should not be allowed to work for a fair price and should be assaulted by able-bodied men following them around. There are some fellows in that valley to-day, who are decent, respectable men, who would not be allowed to work because they do not belong to the Knights of Labor. I do not speak this in any offensive way in regard to the Knights of Labor or labor organizations, but it is a great pity that they do not conduct themselves as fairly and reasonably in this organization as in others. I think myself it would be better if the organizations were good organizations, such as the Brotherhood of Locomotive Engineers. We have never had any trouble with the Locomotive Brotherhood and never expect to, because, as I said this morning, their contracts are good. I say that labor organizations have no right to drive out non-union labor working in my mines or on my roads, any more than you or I by forming a capitalized company to drive out those gentlemen who use private capital because they do not belong to our company.

Q. Please tell us whether the foreigners or Americans take a lead in these labor organizations and in getting up these strikes, as you speak of them.—A. I should not like to say that. Mr. Whiting can tell you better. Now, in speaking of this business, it is not that I have any feeling in regard to labor organizations, either of these poor men or parties who are well to do. Mr. Whiting has figures to show what they earn. They are very glad to work for us, and I undertake to say to-day that were it not for the resistance of the strikers, I could fill their places in ten days with respectable people who would be very glad to work for the money they get. In the past they have got a large proportion of the increase of price, and at the $2.50 basis there is no money in it for us after they get their share of it. I want people to understand that I have no objection to labor organizations, and if they do not choose to work for us and do not like their wages, they have a right to go out in a body; but why they should be permitted to assault these men who wish to work, with club and revolvers, and to attack them with all sorts of missiles, to say nothing about small pieces of brick—trying to drive these men off from work, it passes my comprehension.

Q. If I understand you, your company pays a minimum rate of wages no matter at what price coal sells, but they share a sliding scale of profit if the coal takes a rise?—A. I will give you an explanation of that contract basis, on which we have worked for ten years, and we have had no trouble. The basis established provided that for every 3 cents coal advanced over $2.50, they should get 1 cent for wages. If it declined below $2.50, they submitted to the same reduction. There was 1 cent deducted from their wages; but in very few instances have the company ever exacted anything; when coal sold for less than the $2.50 we paid the basis wages. Under that old basis we could do it; but we should not be likely to do that, because we should be mining coal and selling it at a lower price than it cost; we lose money when we get below the $2.50 basis.

Q. Then you have no absolutely minimum rate; this sliding scale refers to loss as well as gain?—A. Yes, sir.

Q. Is that the kind of contract which they have in the Lackawanna region?—A. No; they pay a certain price for coal there.

Q. How about the Lehigh system?—A. They have a basis similar to ours and based upon the price at tide-water. I could not give it to you exactly, but I think it is $5. I can say this, however, that our wages are higher under our basis and miners earn more money than under any other basis there is, and I should be very glad to change to-day and pay a fixed price, as paid in the Wyoming Valley, as far as the company is concerned. It would be very much in our favor to do that, but as we have agreed to maintain this basis, and a great many of our miners who work for us, or rather who would work for us if not prevented by clubs, would not be willing to change our present basis, because they are better satisfied with it than any other. This basis is a basis that was agreed upon and worked under for about twelve years, and we have never had or heard of any trouble until this year, and I do not think the miners would have gone out except in support of the railroad. The Philadelphia and Reading Railroad is now running all right. If you have any doubt of it you can ride over it and you will see that there is no railroad running more smoothly or better than it is. I would not let men go now who came in when we needed them and took places of men who left us. I would not let men of that kind go anyway.

Q. You said awhile ago that the railroad company and the mining company were very anxious for the men to return. I have no doubt of that, for the company is losing heavily as well as the laborers; and you also said that if your miners would return you would then entertain a proposition for an adjustment which would be satisfactory.—A. I said I would do this: If they will return I will meet them and confer with them. The matter of arbitration is out of the question, but we will meet them or any committee representing them.

Q. Do you require them to begin work first?—A. Yes, sir; I will not take up any negotiations with them as long as they are not our employés. They are not all in favor of this trouble which they are giving us. As I told you this morning, there never has been a time in the twelve years they have been working under this basis when the miners could have earned as much money as during January, and more money than earned by miners anywhere else. It was the fault of the railroad men, and they only went out for the reason which I gave you. They got the miners' organizations to say that the miners would not go back until the railroad men went back. If they never come back until then, there will never be any more coal mined by those people in the Schuylkill Valley. I do not propose to put a man out who has come to me and proposed to work and who performs his duty properly. I have nothing against these people, and I am very sorry for them, but they can not play fast and loose with our corporation. They can not say that we shall not deliver goods into New Jersey or Shenandoah City or any where else. We have obligations to perform.

Q. The resolution under which we are acting assumes that you are not doing it?—A. It is a mistake. If you can find any man that says the railroad has not performed its duty as a common carrier, I would like to see him. There is no railroad in this country which is performing its duty any more promptly than we are doing on the Reading Railroad.

By Mr. ANDERSON:

Q. Your company is not delivering the same amount of coal at New York and elsewhere that it did prior to the strike?—A. They haven't had the coal.

Q. Your company owns the mining company, and while technically the mining company has the stock, yet substantially it is owned by the railroad company, and it is the same thing?—A. Except we do not conduct it as a coal company.

Q. Here is X Y who owns a railroad company, and also, throu of those fictions of law which you call a corporation, owns a company, and really X Y owns both of them. Is it not a fact th Reading Railroad Company has not delivered the amount of coal it delivered before the strike, and that the Reading Company is the owner of the mines or lessee, and that when it fails to operat mines, so far as the producing of coal is concerned, that they fail ceive the coal?—A. There is no doubt they fail to receive the they fail to mine it, but there is no obligation which compels us t a pound of coal we do not want. We are handling to-day, and I under oath that this company to-day is performing every obli put upon us as a common carrier. The reason why it is not deli coal, it is a private commodity which we work through the coa pany. We can close the collieries whenever we wish to; there obligation on us to run them. But really we are anxious to o the collieries as anybody can be, and I tell you if you can devise by which men who are willing to work at the prices we are to pay can go there without danger to their lives, why I will antee to give you all the coal you want at reasonable prices an quickly.

Q. No one takes the position that an unlawful act as murder be a lawful act. There is a question in my mind as to why so number of men, 20,000 miners, having their families depending them—say some 82,000 in all—— A. (Interrupting.) That is not sir.

Q. Well, say it is 50,000; why should 50,000 people go upon a in these mines?—A. Why should 2,600 men go out on a strike w no fault to find with our management, and who did not expect any more pay for their services, and under no circumstances wer treated otherwise than kindly?

Q. Are you from New England?—A. Yes, sir.

Q. You are a Yankee, and you are answering a question by one. What they say is, that you failed in the agreement with th A. What agreement did I make with them?

Q. I think that the statement made to this committee was su tially to the effect that there was an agreement between the ra management and the representatives of the railroad employés th difficulties which arose should be investigated before anyone sho discharged.—A. They know very well, when they say that, tha does not relate to an absolute refusal to handle the goods of thi pany. The fact is, that our agreement with them was that th who made a mistake in any of the positions which that agre covers; for instance, if a man is charged with being drunk, t shall have an opportunity to say it is not so; that somebody ha represented him; or if he butts his locomotive into another, he a mistake whereby he causes injury to the company, and he charged. Another man is reported off duty when he should be o But no sane man, I believe, will undertake to say that that agre covers the point that when we agree to deliver to Mr. Taylor ei car-loads of flour, coming in the regular way over our road, that men may refuse to deliver it. And because I said, "If you don't w deliver it, get off your locomotive and I will put somebody else if you don't want to move that, I will put men there who will;" a cause I did that, these men went out.

Q. Do you suppose they went out for that?—A. I think they ordered out by Mr. Sharkey at Port Richmond. They do not de

By the **CHAIRMAN**:

Q. How few of the stockholders in the Reading Railroad Company own a majority of the stock; in other words, who are the largest stockholders?—A. As I said this morning when that same question was asked, there are very few large stockholders. I do not know of large ones.

Q. Are you a large stockholder?—A. I am a pretty good-sized stockholder, but not enough to control the railroad, or anything like it, nor have I any company, nor is there any company or combination that controls this road, but there are four trustees elected a board for five years, Pierpont, Morgan, Wanamaker, Welsh, and myself.

Q. Have you any objection to telling the committee how much stock you own in the Reading Company?—A. I think that is hardly a proper question to put to me, and it is a personal matter. I have paid for what I got there. I should not have any great hesitation to telling you personally, but I do not care to have it spread on the record. I do not know that it will make any difference in this strike.

Q. I thought it might be productive to some aspects of the case.

By Mr. **PARKER**:

Q. You speak of the coal board; to what do you refer?—A. I referred to the board of directors of the Coal and Iron company.

Q. Do you ever fix the price in any way for sales of coal?—A. No, sir; I do not think they do. That is fixed by the general coal sales agent, Mr. Richards.

Q. Will you tell us how that is reached?—A. I suppose by the demand and the supply, largely. It is left to him.

Q. Will you give us his full name?—A. Thomas N. Richards.

Q. Of Philadelphia?—A. Yes, sir.

Q. He has charge for the different companies?—A. No, sir; for ours only. We do not have anything to do with any other companies in any way or shape. I want to have this committee to understand that this talk about an anthracite board of trade is the purest romance on earth. There is nothing of the kind. I have never exchanged a word with other companies about the price.

Q. The prices that Mr. Richards fix for your coal are substantially the prices at which other coal is sold in competing markets?—A. Not that, because our coal is different from other coal. All coal is of a different character, some is free burning; burns more freely than others.

Q. What is the average difference in New York between the Schuylkill Valley coal and the Lehigh Valley coal?—A. There is very little when you come to get at the various sizes and kinds.

Q. Can you give an approximation?—A. No, sir.

Q. Is there any material difference?—A. I do not think there is. Of course you can not sell your coal for more than other people sell theirs.

Q. Can you tell me who fixes the prices for the other companies?—A. No, sir, I can not.

Q. You do not know whether Mr. Richards consults with the managers of other mines or not?—A. I do not, but I presume he does.

Q. Do the people in the anthracite coal trade meet each other?—A. We have a little board that furnishes statistics. That is the only thing I know it does.

Q. Tell us what that is.—A. Mr. Jones is called a sort of statistician for all these companies, and it is reported to him the output, so we know just about how much anthracite coal is mined a year.

Mr. CHIPMAN. Do you call that a little board because it is composed of Jones alone?

The WITNESS. There is no board about it really.

By Mr. PARKER:

Q. Is not he a statistician of all the companies upon whose report the prices are based?—A. No, sir; he has nothing to do with the fixing of the prices.

Q. Now I wish to know if there has been any failure to perform the duties of a carrier of interstate commerce by your company since it went out of the hands of the receivers?—A. No, sir.

Q. Was there before, while you was one of the receivers?—A. No, sir; and I think I know. We never had any complaint.

Q. Then there is no complaint of a failure to perform your duties as an interstate carrier?—A. No, sir. I do not know a single instance where we have not fulfilled our duties as a common carrier very promptly.

Q. You understand this is a strike between the railroad company and the Knights of Labor and the employés, and the Reading Coal and Iron Company, and it is supposed to be now a contest between the managers of the property and the organization authorities, if I understand you rightly?—A. It looks very much like that, sir.

Q. And you understand the origin of the strike to be for the control and management of the business by members of organizations?—A. Yes, sir.

Q. Let us turn to the other side of it. About how much anthraci coal land is there in the world?—A. I could not tell you.

Q. Well, in this country?—A. I presume you can get those stati tics.

Q. Well, it is less than 500 square miles?—A. I should say so, b we have got that exactly in our office. I think I can furnish you tha

Q. Is it not about 470? We will call it less than 500. Now, wh proportion of this property does this company own in the Schuylki Valley?—A. I think in the neighborhood of 90,000 and 100,000 acres.

Q. Do you hold possession of the railroad company and its rights b virtue of a charter from the public?—A. Yes, sir.

Q. And you hold your rights in the coal company by virtue of a cha ter from the public?—A. Yes, sir.

Q. Now, do you say you have the right, in view of the public inte est, to shut up that mining property and not mine at all if you see fit?—A. Well, if we could not mine without men, at least I should say w should.

Q. That is answering a question, but not the question.—A. I mus answer it in that way.

Q. Suppose you see fit arbitrarily to shut up that coal property fro the country, do you claim you have a legal right to do so?—A. I shoul like to consult somebody before answering that question. I should n like to say in regard to that. If there is any doubt I should like to b advised.

Q. The whole anthracite deposit is largely in those three valleys, it not?—A. It is largely so.

Q. And it is controlled and distributed by corporate companies re ceiving charters from the public?—A. Not altogether.

Q. But largely?—A. There is a great deal of coal territory owned b private individuals and mined by them.

Q. Do you claim that the owners of this deposit have the right t open any mines and then arbitrarily to shut up and stop the output fro all these mines?—A. As I said, I do not want to decide that matter. I should think it was strange if they didn't want to work. The demand for coal is large.

Q. But if some mining company should see fit to seize upon by purchase of the mines, they could operate and control them and keep the world shut out as long as they saw fit?—A. What do you think of it?

Q. I am asking questions, not answering them.—A. I can not answer that any better than you can. I do not want to give a legal opinion unless I am paid for it. I am here to testify as to facts, and not to give opinions.

Q. I am seeking to get the basis of your action; that is the only thing there is in the matter.—A. My theory I know is right.

Q. You do not wish to answer the question as to whether they have a legal right to do this?—A. I could not tell you. I had an impression that in working a colliery that if you did not find it profitable that you could stop it. But it has not been the policy of this company to shut up any colliery. It seems to me you are putting me in a false position by asking me questions that are problematical.

Mr. CHIPMAN. You must recollect you have given us your opinion very freely in regard to the impropriety of the conduct of the miners, and, of course, we must endeavor to get an opinion on the other side of the question.

The WITNESS. You may consider that I have not anything to say about that. As to whether a man should have the right to shut up his mine or not, I do not propose to decide that.

By Mr. PARKER:

Q. Will you answer whether you claim the right to shut up property owned by the Reading Railroad?—A. We have tried to keep it open.

Q. Do you claim you have that right?—A. I have never made such a claim.

Q. Is that all your answer?—A. Yes, sir. We have never made any claim that we could shut it up or not; we have always tried to keep it open.

Q. Did you claim that your contention with the coal company is based upon this agreement of September?—A. Yes, sir; I do.

Q. You claim that in a portion of that agreement the men pledged themselves if the other strikes were not disposed of in some way that they would work after the 1st of January upon the $2.50 basis?—A. Yes, sir.

Q. And they have refused to do that and have been requiring that the agreement should be continued, and they have violated this agreement, which was put in writing and acceded to?—A. Yes, sir.

Q. Now, do you know that they claim that there was an understanding with the officials that this should not be binding upon them after the 1st of January?—A. I do.

Q. And that for business reasons that was not put in it by the officials?—A. I know they claim that.

Q. What is the ground for that claim? I wish to know, as far as you have knowledge?—A. As far as my own knowledge, there is no truth in it. That agreement was made with as fair understanding in relation to it as any agreement, and had nothing to do with it. If we had not lived up to it, if we had agreed to continue on the 8 per cent. basis beyond that, we should not have been able to have lived in the State of Pennsylvania. Just because the labor organizations on the other side are not bound to do anything they do not choose to do, if the railroad company had not lived up to it, they would have sent us out of town with brass band.

Q. The witnesses claim that this is a lock-out?—A: Which—miner

Q. Both are miners?—A. I should like to ask why this is termed lock-out, when they voluntarily dropped their work and marched ou

Q. They claim it is a lock-out, as far as the railroad is concerned, cause the men were discharged without a hearing?—A. I want to a a question. I tell you, sir, that any man who undertakes to tell me th any contract was intended to cover a hearing in reference to suc matter as the refusal to handle the flour of Mr. Taylor is mistak There is no such contract.

Q. But they claimed there was a general agreement that no m should be discharged until they had a hearing granted and the acti considered?—A. There may have been something of the kind with t superintendent, but it was not intended to cover a case of that kind.

Q. Then if there was such an agreement with the railroad that wou relate to it?—A. There was no agreement covering anything of th kind that I know of.

Q. Was there some agreement between the railroad officials and t railroad employés that they should have a hearing before being d charged in some cases?—A. Mr. Sweigard will tell you that. I do n know whether there was an agreement of any kind. I know there h never been an agreement made with this road which permits a violati of the duties of a common carrier in the transportation of goods in t State and in other States. If there was an agreement made I do n think it will ever be carried out, when it would be directly in violation of t laws of a common carrier under the interstate law. If men can refu to handle goods because they do not like the men or goods, we shou be in a bad fix.

Q. Will you state generally what violence has been committed?— There has not been as much violence as might have been expected fro large body of men because we have had the police. Men have been threa ened with death, and cars cut in two; but Mr. Sweigard will give y plenty of it.

Q. Has there been any killing of engines?—A. I do not think th have done that.

Q. Has there been any loss of life?—A. I believe not.

Q. On the railroad part?—A. I believe not. On the whole we ha not suffered very much. We took very vigorous measures, as I i tended no men should interfere with the men we employed who did o work; and I think they did understand that, and consequently they them alone.

Q. You think your resolute action intimidated men from committi outrages?—A. Yes, sir.

Q. You have spoken of some violence that did occur in the mines?— We had more or less of it on the road. Mr. Sweigard will give you t particulars..

Q. You spoke of this point at which it occurred; that was in t mines?—A. Yes, sir.

Q. I mean in regard to the men pounding the children; that was the mines?—A. Yes, sir.

Q. Of course you have no personal knowledge of that?—A. I o know it from reports, as I have not seen anything done myself. I told that and I know it from information.

Q. You do not know who the men were who committed this v lence?—A. I do not, but I intend to know if I live long enough.

Q. Were they men having families depending upon them and suffering from starvation?—A. If they were, they were people who voluntarily went out.

Q. You have had a large experience in the employment of men?—A. Yes, sir.

Q. Do you not find it impossible for one individual, or a minority, in any great public work to resist the action of a majority?—A. We have not found it so on the Reading Railroad. The men are disposed to work.

Q. As a rule, does not the majority sometimes resort to extreme measures to exercise their power?—A. I think so. I attempted to put a stop to it.

Q. Are these men who are ignorant and who think they are fighting for their families and against starvation, are they to be so much blamed, then?—A. I think, sir, that if you could devise a law to punish the leaders that these men would take care of themselves. I think they are not so much to blame. I think the large majority, say one-half of the miners to-day in the Schuylkill Valley, would be glad to go to work if they were not afraid of their lives and for their families. I blame the leaders who are all the time stirring these people up.

Q. Therefore, these people who committed violence are really more victimized than anybody else?—A. I have no doubt they are put up to it by men who are behind them. The men who stir up a strike do not go to the front. They stay in the rear.

Q. Can you suggest any legislation which we can recommend which will provide against such a case of things in which interstate commerce is interfered with by these outbreaks?—A. I can not. I think when you gentlemen get through the examination, you will be rather better qualified as to what legislation is necessary than I am.

Q. If you have any further suggestions, we will be very glad to have you state them.—A. I do not think I can give you anything more. I have never had any trouble with labor before, and I have had more or less to do with labor. I think if you can punish the men who stir up strikes you will do more good to the people who are willing to work at fair wages than anything else.

Q. The coal which is mined by the coal and iron company and by the private individuals and companies and shipped over your road is intended when mined for sale all over the country?—A. Yes, sir; wherever we can get the best price.

Q. Into how many different States does it go?—A. I presume the average coal goes into all the Northern and Middle States, and of course very largely in the Western States.

Q. What proportion of that handled by the Reading Railroad goes into other States than Pennsylvania?—A. We handle all of it.

Q. What proportion of it goes into other States?—A. I could not give you that.

Q. Is it a very small proportion?—A. No, sir; but I should say a large proportion was used, say, between here and tide water and between here and New York, in Pennsylvania, New York State, and New England.

Q. Is a great proportion of it used outside of the State of Pennsylvania?—A. Oh, yes, sir.

Q. For what particular purpose or market is it intended when it is mined?—A. Well, we seek a market where we can get it. We mine it for the market and we take it where we can find the best market.

Q. And this market, including the outside market, is what indu the mining?—A. Yes, sir.

Q. Now, in getting into this contention with the railroad strikers a the other strikers, what consideration did you give to those outside int ests?—A. I took their interests into account when I made up my mi that we should say we could control that property better for our o and for their benefit. I think the people would be more benefited having this property managed by the owners than by the Knights Labor. I propose to operate this property myself, and I believe I co operate it better than the Knights of Labor. When I make up my mi I can not, I am going out.

Q. What freighting does this road do besides the coal-freighting A. It is very large of all classes of merchandise.

Q. To what point?—A. Local and interstate.

Q. Consisting in general terms of what?—A. What almost ev railroad carries—grain, pork, beef, dry goods, groceries, and miscel neous articles generally transported over a railroad for the use of portions of the country.

Q. Both East and West?—A. Both East, West, and South.

Q. Where does the freight from the West strike your road?—A. different points.

Q. Will you give us the termini?—A. I think you had better ha Mr. McLeod give you that.

Q. Can you tell me the loss of freight that the railroad has suffered A. No, sir; I can not.

Q Can you tell me the loss of wages that the men have suffered A. No, sir; I can not; but that can be easily ascertained.

Q. Can the loss of freights be approximated?—A. Yes, sir; we co approximate what we ought to have earned and what we did earn. T best way would be to give the earnings during a given period as co pared with last year, and I shall be pleased to give any statistics.

Q. Can your people furnish us with an estimate of the loss of wages A. Oh, yes, sir; I think so.

Q. Both of the railroad employés and the coal company's employ You can not give them yourself now?—A. I could not, sir.

Q. Can you tell the losses on the amount of capital invested?— The information you ask for would show the losses on it as near as y could get at it. You could take our average operating expenses of t road showing about what the net loss would be. You could take t receipts of last year and compare them with the operating expenses a you can ascertain just what this road makes.

Q. We would like such a statement.—A. I might say if there is a thing else you would like to have I will send it to you.

Q. What was the price of coal in September last?—A. Well si shall have to give you the September statement to show it, but Whiting will give you that, or Mr. Richards will be able to give it you.

Q. Can you?—A. No, sir; I can not. Mr. Whiting mines it and I not know anything about the prices.

Q. What has been the increase in the prices of coal to the consum in New York since September?—A. I can not tell anything about th

Q. What was the price in Philadelphia at the Schuylkill harbor A. I can not give you that, but Mr. Richards will give you that qu tion.

Q. Is it not a fact that the consumers have been compelled to pa larger price for coal than they would have paid if the mining had continued?—A. Unquestionably they have.

Q. Can you make any estimate of that?—A. I can not.

Q. Can you have an estimate made for us?—A. Some one could make that estimate.

Q. What is the loss to the public by reason of the increased prices?—A. That I do not know, but I could get some one to give you the approximate price.

Q. What amount of coal was mined in September last?—A. That Mr. Richards will have to give you.

Q. Can you give the monthly statement?—A. I think I can get it.

Q. Was there, in comparison with the general amount mined, a very large amount mined and on hand in December last?—A. I do not know what that was. I do not think there was a very large supply in hand in December, because the Lehigh Valley had been out all the fall.

Q. What was the date of the commencement of the Lehigh strike?—A. I think they went out on the 10th of September.

Q. Was there a very large amount of coal mined then and on hand?—A. No, sir; I do not think there was. I do not think there has been a large amount on hand at any time during the last twelve months.

Q. Were you advised of the probability of the Lehigh strike before it occurred?—A. I only knew there was to be a demand made upon the Lehigh and ourselves. I did not know what the probability of the strike was, and I did not know there would be a strike.

Q. How did that information get to you?—A. By notice from a committee said to be representing the laborers. I do not remember who the committee were, but it was a printed notice, and that was all the information I had that there would be a strike—that was the demand for an increase of wages.

Q. Now, at Schuylkill Haven the coal had been put down there in December at how much more than the basis cost of $2.50?—A. That coal, I judge, was the returns made in December and January, and I could not give you that, but I could give it from the books.

Q. Can not you get at it here, the amount it was valued at Schuylkill Haven?—A. I should have to get it from our books, and we should have to average it. We have a drawing, and that is the average of the various collieries under our agreement of prices which we made with the men and the average prices that we mined during the month is made up, and I can not tell you. I should have to refer to the coal and iron company's books for them.

Q. What was paid per ton for mining the company's coal put on board the cars in December during the strike?—A. I could not give that. I could give you the statistics.

Q. About how much was it?—A. I could not tell you about how much. I do not know. I can give it to you exactly, though.

Q. Well, say it costs not much over $2.50 a ton on the cars in the mines?—A. No; I do not think it was over $2.50. I should think it was less than that on an average. It might have been $1.65 or $1.70 on the cars. But you had better leave that and allow me to give it exactly.

Q. You were shipping that coal by these colliers to New York, were you not?—A. No; they mostly go to New England from New York.

Q. Now this coal was put on the cars at about $1.75 and was delivered at Boston for what amount?—A. I only guess at that amount.

Q. It was delivered at Boston at what prices?—A. That I could not tell you.

Q. Could any of these gentlemen assist you?—A. No; Mr. Richards, who is sales agent of the coal and iron company, is not here. Mr. Whiting mines the coal and puts it on the cars, and there his duty with it ends.

Q. Can you tell me the toll upon coal by way of your road from leading points in the mines delivered on the wharves at Boston?—A. I can tell you to a cent before you go away from Philadelphia.

Q. I will tell you the object so that you may cover the field desired. It was claimed by witnesses examined before in this case that there was an unreasonable and excessive amount added to the coal as tolls or freight by the railroad company in order to make an unreasonable profit out of the expenses of the workmen upon the one hand and the consumer upon the other; now I wish you to give us that statement.—A. That is apparent by the statement, that at the same time, notwithstanding these enormous profits which the railroad company has been making, she has busted twice in the last ten years and she has not paid over 50 cents on a dollar. You can see for yourself how much money she has made out of it.

Q. This is one of the eccentricities of a business investment?—A. It has been a very costly eccentricity, and we would like some one to be able to show us the facts they assume. I can tell you as the result of this enormous profit that this company has been making the last ten years, it has been in the hands of a receiver twice; she has divided not a dollar of money with the stockholders and they have put in $40,000,000 in clean cash; notwithstanding that they have not received a dollar's dividend since 1876, and just now, within the last six months, they and the junior security holders, who stand in as bad a position. They have never received one cent dividend, and they just put in $12,000,000 fresh money into this company to pay the losses made in mining coal. Now this is just the profit the railroad company has got out of it. If you had had your money in there you would have found out something about it.

By Mr. STONE:

Q Was any debt of the railroad company created by the purchase of the coal property?—A. I do not know about that, sir; but I think the coal lands stand entirely by themselves; I will have to find out about it.

Q. When were you first connected with the railroad company; or were you interested in it before your connection?—A. No, sir; I did not know anything about it. I have picked up considerable information about it since I came here. If I had, I do not know that I would have been here, but being here I propose to stick. In regard to all these matters I wish you to understand, gentlemen, that we will be glad to give you any information and any statistics we may be able to give you, and to furnish any details at any time you want them.

Q. What railroad tracks have you running outside of the State of Pennsylvania?—A. I know of none except that in New Jersey, what is known as the Bound Brook road. I think all the lines are within the State except that.

Q. And that you hold by title or lease?—A. We hold it by lease from a former corporation. I do not remember what was the name of that.

Q. By a long lease of nine hundred and ninety-nine years?—A. Some such lease, by which it is to be owned by us.

Q. That you still hold?—A. Yes, sir.

Q. And that is your New York connection by rail?—A. Yes, sir.

Q. And that is the way you ship the coal of this company that goes to that market?—A. Yes, sir.

Q. Does it reach Elizabethport?—A. No; it goes to Bound Brook, 27 or 28 miles from Elizabethport. Then it is turned over to the Jersey Central system. We have nothing to do with this Jersey Central system any more than any other lines over which we ship.

Q. Can you tell me what proportion of coal you have carried for the Reading Company and all other?—A. I can give you it approximately now. I think we carried out of 6,300,000 tons this year, that probably 5,500,000 tons of that was our own coal and perhaps more, but that is not so very far out of the way.

Q. Are you familiar enough with the workings of the mines so that you can tell me about the mines worked?—A. No, sir; I can not, but Mr. Whiting can tell you everything. He is an encyclopedia on the subject of miners and miners' wages.

Q. You have opened some collieries recently, I believe?—A. Not since I have been in, I don't think.

Q. Are you working some of them?—A. Oh, yes, sir.

Q. How many of these are you working?—A. We are working partially; I think eleven were reported this morning.

Q. As against how many before the strike?—A. Forty-five.

Q. You say you have turned away men in the last few days who wanted to work?—A. Yes, sir; at Brookside.

Q. Why would not they go to the other collieries?—A. These sort of people who live in a certain locality do not like to move away from their families and go away. We would not be able to get them to go away to the others.

Q. You would be glad to employ them if they went to other collieries; I did not know but that there was some other reason?—A. No, sir; there was no other reason.

Q. The coal upon which the disturbance arose at Elizabethport was coal mined in the mines of the Reading Coal and Iron Company, and carried by rail to Elizabethport by your men?—A. By our line to Bound Brook and from there over the Jersey Central.

Q. And was sold by you to be delivered on board to Coxe Bros.?—A. Yes, sir.

Q. Coxe Bros. being operators in the Lehigh Valley and wanted that coal to fill pre-existing orders which they could not fill from the Lehigh Valley by reason of the strike there?—A. It is probable, but what they wanted to do with it we do not know.

Q. Do you understand that that was the theory upon which the men refused to handle that coal?—A. No, sir; I did not.

Q. What was the theory upon which you understood they based their refusal?—A. I do not know, but I think it was because that was a boat owned by Coxe Bros. and they would not load our coal into it. I think they did say that if it had been our boat they would have loaded it.

Q. Was it not upon the theory that belonging to Coxe Bros.' customers, that Schuylkill coal would tend to injure the strikers in the Lehigh mines who were seeking to have a change in prices?—A. When you ask me about the theory upon which Knights of Labor act, that I could not tell you.

Q. I wish to find out if these men who were at work told you; whether you have any knowledge of it from these men?—A. In this particular case it was stated to me that the reason why they would not deliver this coal was because it was a boat belonging to Coxe Bros. But this coal was not scab coal, and there was no reason that it should be boycotted. It was coal for which we had paid more money than the others had paid, and they should have been only too glad to help us sell our coal at good prices.

Q. You insisted that they had no right to say where or to whom you should market it?—A. Yes, sir; I did. I think we have come to a fine pass when they shall say whether we shall sell coal to one man and not to another.

Q. How many men had the railroad in their employ before the strike?—A. About 15,000.

Q. Have you now all the men you need in the present condition of the work?—A. Yes, sir; and we have men on the list waiting to come back again when we start our trains.

Q. How long was business interrupted along your road by reason of the strike?—A. Well, sir, it was a very short time. We did not have so much trouble on the road from the railroad strike. For a week we were more or less upset, but our passenger service was not disturbed. We had no trouble from that service. Our freight service we did have trouble with, which lasted two or three days, then it was resumed and it has been growing better from day to day, and in ten days we think we were in as good position as we ever were. In the mean while the coal trains stopped, of course, in the mines; but every day men came, and in fact inside a week we were moving the coal trains. Certainly the road has not been in such a good condition, or had such a good service, or such prompt obedience, as it is to-day. I think we shall be able to keep it so hereafter. I propose to perform my duties as a common carrier, not only State but interstate. If there is any man who had property to be delivered, whether in this State or out of it, which was delayed through our fault, I should like to know of it.

Mr. PARKER. About what amount of coal is on hand now in the Reading coal system ready to be shipped?

The WITNESS. I could not tell you. There are quite a large number of operators there in the valley getting out coal. I think the report of yesterday stated that we shipped 190 car-loads from Brookside.

Q. Has the coal been practically cleaned up at any time since the strike?—A. We have not had a great deal on hand for a week or ten days.

Q. You had a larger amount of coal at the time the strike began?—A. Well, we had about our usual supply. We were not carrying an exceedingly large supply, but about as much as we needed.

Q. From that date to this the coal and iron company have paid no wages to the miners?—A. Yes, sir; we have about 3,000 men at work for us.

Q. How many did you have on the 20th of December?—A. Probably 20,000.

Q. Then you have been relieved from the payment of the wages of about 17,000 men?—A. Something like that.

Q. And have cleaned up all the coal on hand, and are ready to go on with the business?—A. Yes, sir.

Q. Can you give the financial results of that?—A. No, sir; but they have not been entirely satisfactory.

By Mr. CHIPMAN:

Q. You say the Reading system comprises about $40,000,000 of stock?—A. The railroad has about $40,000,000 capital stock.

Q. How much has the coal and iron company?—A. Eight million dollars.

Q. You say that this Bound Brook road is in New Jersey?—A. Part of it is in Pennsylvania.

Q. That is a part of the Reading system proper?—A. Yes, sir.

Q. Have you traffic arrangements with other roads?—A. We have traffic arrangements between all the roads connecting with us.

Q. What roads connect with you?—A. There are the New Jersey Central, the Lehigh Valley, the Pennsylvania, the Baltimore and Ohio, and we have a connection at Williamsport with the Union Central.

Q. What is the Union Central?—A. It is a part of the Pennsylvania. Then we have traffic arrangements with the New York Central and the Erie. I could not give you our rates.

Q. You have traffic arrangements by which you take and deliver freight to roads outside of the State of Pennsylvania?—A. Yes, sir.

Q. I suppose they are the ordinary arrangements between railroads who are carriers of interstate commerce?—A. I do not exactly know how far it comes within interstate commerce. I think interstate commerce is understood to be where a road extends into several States.

Q. You take and receive freights from lines outside of the State?—A. Yes, sir.

Q. You also have, as I understand it, as a part of your system, boats or colliers which receive at tide-water the output of the mines delivered by your roads?—A. They are owned by our road like the cars or locomotives; that is, by the coal company.

Q. But your transportation of coal is by rail until you get to tide-water, and then the line is finished by boat to Boston and other ports?—A. There is no line from that point; we simply use the colliers to deliver at different points.

Q. Do I understand people besides your coal and iron company took coal from the Schuylkill region?—A. Yes, sir.

Q. Are they corporations or individuals?—A. The Pennsylvania Railroad is in there.

Q. I mean operators, not railroads.—A. There are individual operators there mining and shipping coal from that region.

Q. Individuals and corporations both?—A. Yes; individuals and companies.

Q. By what line do they ship their coal?—A. Very largely by our road, but some goes out by the Pennsylvania Railroad.

Q. You say the amount of coal carried by your road would amount to about 6,000,000 tons?—A. Not quite as much as that; perhaps 5,500,000. It is about five and a half million; I can give it to you exactly if you will let me give you the figures.

Q. Well, this is an approximation.—A. It may be 6,000,000; but I can give it to you accurately.

Q. You were a little more exact even than that. You said that 10 or 15 per cent. of coal transported by you was the output of other people?—A. I think about 10 or 15 per cent. belong to other people and the balance belongs to the coal and iron company.

Q. You say there is a general provision in your State constitution prohibiting railroad companies from mining or manufacturing?—A. It is so understood, sir.

Q. You claim that you are exempt from that provision?—A. Yes, sir; we antedate that constitution.

Q. You will produce these charters for us?—A. Yes, sir; you shall have them.

Q. You say that there were some of your men who were Knights of

Labor who directed the men to go out?—A. That was the information that came to me.

Q. You mentioned Mr. Sharkey and Mr. Hede; how do you know they were Knights of Labor?—A. I only know it by report.

Q. How do you know they directed the men to go out?—A. Only by the report.

Q. By whose report?—A. That of the superintendent at Port Richmond; that was his report. I do not think there is any dispute of the fact that they went out, but I do not know who sent them out.

Q. You say that these Knights of Labor, after the discharge of Sharkey and Hede, ordered the strike at Port Richmond?—A. I have been sc informed that it was through their orders.

Q. Do you connect these two things together, the discharge of Sharkey and Hede?—A. I do not know that it was. I discharged them because I did not want them on the road any more. I think if it had not been for them and three or four more, these men would have been at work for us.

Q. Now you say about 2,600 men did not return to work——A. (Interrupting). And never will as long as I am president of the road.

Q. These men who struck and went off?—A. No, sir; they will not

Q. Why?—A. They went out on purpose to injure the property. They laid down their work, having no complaint to make against th corporation, either by way of treatment, hours of labor, or wages, an left me, as a common carrier bound to transport the goods, and if I ha not done it there would have been a committee there to know the reason why I did not. They said to me, unless you do what we tell you t do in this respect we will not work for you. I tell you that these me have tried to leave me in the lurch, and that they shall never put me i that position again as long as I am here.

Q. You mean to say that if these 2,600 men would come back and d just as you want them to do that you would not give them work again?—A. I do, sir.

Q. Do you wish that to go on record?—A. I do, sir. No man leavin me in that way shall ever work for me again as long as I am at the hea of this company.

Q. You speak of an order issued on the 24th of December, statin that the men may go to work on the 27th in connection with these 2,60 men; how do you know that these men received the notice?—A. I d not know; it was not my business to give it to them.

Q. Suppose that they came back and convinced you that they neve heard of this order, do you say they should not go to work?—A. Yes sir; I would. They had three days, from Saturday to Tuesday, an I had a right to say that they had left my service.

Q. If they had come back on the 27th you would have given them work?—A. Yes, sir; and they would have been laboring there now As they did not come back on the 27th, I filled their places, and it wil be a pretty cold day when I discharge the men I have there now to giv men places who went off and left me.

Q. About what portion of the telegraph lines on your roads do yo own?—A. I could not tell you that.

Q. How much does the Western Union own?—A. I could not te you that.

The CHAIRMAN. You could give us that?

The WITNESS. I can give you the information.

Q. Well, along with a good many other items of information yo promise to furnish us, you will please let us have that?—A. I will, si

I will devote myself to giving you every bit of information that you wish.

By Mr. CHIPMAN:

Q. I wish to ask you this: You are in the railroad business and a coal operator, and you understand men, both as the man, Corbin, and connected with these corporations. The miners are in the business of getting the coal out of the mines—do you hold that the miners must go back to work without any new arrangement with you. You refuse to treat with them on the question of wages; do I understand that is a fact?—A. No; you are wrong. I say that these men must go to work before I will treat with them: they are not in the employ of the company any longer.

Q. Do you hold, then, that they must go to work and they can not go to work upon any other basis; so they are to come to your terms?—A. Not to my terms, but to the terms they made themselves on the 17th of September.

Q. You contend that was the arrangement they made, and under that arrangement they must go to work without having any new understanding?—A. I do, sir. I do not propose to make any new arrangement with them until they carry out what they agreed to do.

Q. I ask you this: Do not your difficulties arise almost entirely from the fact that the railroad company and the coal and iron company are practically one?—A. No, sir: not at all. I do not think they have anything to do with each other. They are entirely distinct. I think my miners would have gone at work except for being stirred up by the railroad men.

Q. You think the fault is entirely with the railroad men?—A. Very largely, sir.

Q. Do you think that the miners are more honest?—A. I do not question the honesty of any one. I do think it was bad faith for them to make a contract and not keep it.

Q. Is it not your interest, as a railroad company, to make as large freights as you can out of the mining company, although you are practically one? This is a question I wish you to answer.—A. This is a question I should answer in this way—it would be an answer to that or any other article we transport: We transport and get as good prices as we can, and we do not charge the coal company any more for transporting coal than individual operators.

Q. You put that answer and leave it there for it to go to the country as a full explanation of this dual arrangement between the railroad company on the one side and the mining company on the other; this is the answer you wish to go on the record?—A. Yes, sir.

Q. Have you any idea how many private operators there are in your district?—A. Mr. Whiting can tell you that. I do not know.

Q. Is there a system of allotment by which the different operators in your district, I mean the Reading anthracite district, including the Reading Coal and Iron Company in that district, are confined to a certain quantity of output of coal during a certain time?—A. I can not answer for anybody except the Reading.

Q. Has the Reading any such arrangement?—A. Nothing like it.

Q. We have been told that there was.—A. Whoever told you that told you what was not true.

Q. Not only your output but the output of all the people for whom you carry?—A. It is not true. I have been here for fifteen or sixteen months and I have not seen or heard of it.

Q. I think you have a man in your pay who is named Richards?—A. Yes, sir.

Q. Who fixes the price of coal?—A. Yes, sir.

Q. Does his standard form the data for your payment of miners on what you call the basis system of wages?—A. No, sir; the result of that basis is this——

Q. I am not asking the result of the basis, I am asking the result of the standard. What does he make a standard for?—A. He makes the prices for our coal.

Q. That coal he makes as high as the market will take, and the miners get paid according to the price?—A. He does not fix it below what he can get for his coal.

Q. Does he fix the price at tide-water?—A. I think that is the only point he does. I think somebody else fixes the price west, south, and north. He can tell you, as I might give you information that may not be accurate.

Q. Are the people now at work for you at the mines all residents of the vicinity where they work, or are they new-comers?—A. They all largely live in the neighborhood.

Q. You do not know whether they are regular residents of the neighborhood or not?—A. I do not.

Q. May they not have come there from out of the State?—A. I think they mostly come from the State; there may be some Lehigh miners there.

Q. How long a time have the 3,000 of which you spoke been at work?—A. A great proportion of them have been at work since the strike occurred.

Q. You say you do not know the exact amount of coal you had on hand when the men went out?—A. I do not; I could not tell you, but I should say when the men went out that we probably had from 200,000 to 250,000 tons, more or less.

Q. Have you any idea how much there was in hand in the other portions of the anthracite regions?—A. I do not know anything about that.

Q. Do you get out iron by the coal and iron company?—A. We do not, sir.

Q. You are not getting out iron at all?—A. We are not, and I do not think we ever shall; the little experience this company had is sufficient.

Q. You talk about some $12,000,000 put in by the stockholders to make up a deficiency in the coal mine?—A. Yes, sir.

Q. Why do you keep the mines that may cause you a loss of $12,000,000 more?—A. I have asked that question since I have been here.

Q. Why do you do it?—A. We made a little money last year; we got 23 cents.

Q. You made money last year?—A. We did not get a fair price for the coal. If we had leased the coal mines we could have got a better royalty for the coal, but we hope to economize in the general coal business, and pay our labor well, but to cut down our expenses as much as possible, and hope to save a little money; but I am afraid these two months will upset that. I believe that we can ultimately make a little money. We have a good deal of property and a good many good men who know how to mine, and they will be back to work. We think the public will be willing to pay fair prices for coal, but if I find upon examination, after an experience of two or three years, that I can not make a better showing, I shall question whether we had not better shut up.

Q. Do you not think, then, that it is bad policy for your company to be competing with people who are manufacturing or mining?—A. I think it is bad policy. I wish somebody would come and buy our coal territory and put up the money themselves to mine it, and give us the product for shipment.

Q. Why do you not try to sell them?—A. I do not think there is anybody willing to buy them.

The CHAIRMAN. Did you not pay a speculative price, and could you sell them now for what they cost?

The WITNESS. I think they are worth a good deal more money than we paid for them.

Mr. CHIPMAN. Is there not a large bonded debt over these coal mines, and does not the company have to work to pay the interest on the bonds?

The WITNESS. I have, heretofore.

Q. How much is the bonded debt?—A. I could not give it now. I do not think there is anybody willing to buy our coal lands. I have not been here long enough to see whether we want to do one thing or another.

By Mr. STONE:

Q. The stock of the Reading Railroad Company is $40,000,000?—A. I think it is under that; but in round numbers it is $40,000,000.

Q. Was that stock all paid for?—A. One hundred cents to the dollar, cash. There was no averaging by the road of any loans or losses.

Q. Do you know what is the market value of it now?—A. It is quoted every day. I see it was quoted yesterday at about 65 to 66 for $100 shares.

Q. Do you know the amount of debt of that company?—A. It is pretty well on to $160,000,000. It is large enough to hold it down well.

Mr. CHIPMAN. The debt of what company is $160,000,000?

The WITNESS. The whole combined company.

By Mr. STONE:

Q. I was speaking of the Reading Railroad.—A. It would not be so much less; probably the Reading Railroad Company would be $125,000,000.

Q. That would leave the debt of the coal and iron company at about $35,000,000?—A. It would be probably in that neighborhood. I only give you that from guess-work, but I will give you the figures exactly.

Q. What is the form of the Reading Railroad debt?—A. The form of the Reading Railroad debt under the reorganization, outside the rentals of leased lines, will largely consist of consolidated mortgage bonds, to be one hundred millions 4 per cent. consolidated bonds, put upon property which is supposed to take in every thing the road owns and to provide for certain leased lines. Then the balance is first, second, and third preference bonds, the stock, and then what is known as preferred income bonds. You will see what they are exactly in the plan of reorganization which I will produce for you.

Q. Do the mortgages securing that debt cover the property of the mining company?—A. It covers practically that debt, because it covers the stock held in the treasury of the railroad company belonging to the mining company. That is held in trust by the trustees, so practically any interest the railroad company has by virtue of the stock in the coal and iron company is covered by this debt; but you must remember that there are general mortgages of large proportion on this coal and iron company which is ahead of the consolidated mortgage and interest that this road holds by virtue of its stock.

Q. What is the stock of the coal and iron company now?—A. $8 000.

Q. Of what do the assets consist?—A. Coal lands.

Q. How many acres did you say?—A. I think we calculated 90,000 acres of coal lands, good, bad, and indifferent.

Q. And the property of the coal and iron company consists c lands and equipments necessary to the development?—A. Yes, si

Q. And that is all?—A. That is all. You may say in additio that it owns some few boats which it bought some years ago, but are of little value. The bulk of the possessions and property of th and iron company are these coal lands.

Q. Is the stock of that company paid up?—A. I suppose it was sir. Some of these things I have not been here long enough to about.

Q. Can you tell what these 90,000 acres of land cost?—A. I coul sir.

Q. Have you means of ascertaining?—A. Yes, sir; I can give you from the books. Mr. Whiting suggests that you can get that i annual reports. If you will give me a memorandum of any inform you would like to have, I would be glad to furnish it.

Q. Were these $8,000,000 of money raised on the sale of the sto sorbed in the purchase of land and its development?—A. Yes, si

Q. More than that?—A. Oh, yes; they lost a great deal of mon

Q. They may have lost it in the operation of the mines; but I in the purchase of the property?—A. I could not answer that qu as to what the property cost except by looking at the books.

Q. How did this $35,000,000 of indebtedness originate?—A. I not give you the exact manner in which it originated, but it was la the cost of the land. The land was very expensive property; lands nowadays.

Q. And the whole of this stock is owned by the Philadelphia Reading Railroad Company?—A. Yes, sir.

Q. The coal and iron corporation is a corporation within a corpor so to speak?—A. It is a corporation whose stock is owned by an corporation. There is but one stockholder.

Q. Judge Parker was asking you something about your legal to close the mines. I do not want to go into that, but to follow that line a little as to the matter of prices. The anthracite coal in this country are confined to Pennsylvania?—A. It is suppos practically. They have not discovered lands anywhere else except

Q. If there was a combination between the operators in anth coal could they not fix the price?—A. I do not know whether we or not.

Q. Limited of course by the demand for it?—A. I do not know wh we could or not. I do not think they could agree among themsel they tried, and I do not think they would try.

Q. What is there to prevent them from fixing the price at whi thracite coal should sell?—A. You do not know the various offic these companies, do you?

Q. No, sir.—A. If you had you would not have asked that que They could not agree upon anything. It would be against public p they would not antagonize the public by doing any such thing. not think there is the least disposition on the part of anybody to a coal trust. I do not know of any business done in this country solutely without regard for each other as the coal trade. I have a great deal of talk about all manner of combinations, but there business in this country, that I know anything about, where there is so little combination in regard to handling the business as in coal mining. They are all anxious to make money, and while we have had the Lehigh people out and the Schuylkill Valley out, the Wyoming Valley has been able to supply the whole country with coal at low prices, and nobody has suffered. There has been no very great scarcity or high prices, notwithstanding the fact that these two great valleys are out.

Q. You say the production is equal to the demand of the country?—A This competition has been so far between these companies. They have not made any money out of coal, and I think you will find all the others who are handling and producing in this country made no money out of coal. The Reading Railroad Company would have been better off had it never touched a pound of coal. If they had never meddled with the coal business they would have been better off.

Q. Would not the supply of bituminous coal regulate to a large extent the price of anthracite?—A. The supply of bituminous coal would, of course, keep down the price of anthracite to certain figures, because the people would use bituminous, so it is controlled largely by the price of bituminous coal. The country is full of it, and therefore the price of anthracite coal is very much limited by the large supply of bituminous coal and the price of bituminous coal, but at the same time the anthracite coal is a great factor in this country. People do not like to use soft coal when they can get hard coal.

Q. Could there be, in the nature of things, any law which would protect bituminous coal so as to raise the price of it also to that corresponding to the price of anthracite coal?—A. Well, it might have that effect, but I am not so sure. I do not think it would have very much effect upon anthracite coal, but it might.

Q. Can you tell me at present the wages you were paying your men prior to this arrangement made in September on the $2.50 basis? How much could these miners ordinarily make in a day or month?—A. I can not tell you, but Mr. Whiting will tell you that when he is before you. He has definite information of it, and as you will want to go through it to some extent, I will leave it to him.

By Mr. ANDERSON:

Q. About this telegraph line; who pays the operators, your road or the Western Union?—A. This is owned by the Reading Railroad Company, and it pays its own operators. It is operated by a separate board of directors and it is all owned by the Reading Railroad Company, and only a certain portion of our road is occupied by the Western Union line.

Q. Does this portion of your road referred to receive common business or only the railroad business?—A. They do anything a telegraph company does.

Q. What portion of the road does the Western Union line not cover?—A. I could not give you that answer, but I will give you the figures.

Q. When was the coal and iron company formed?—A. In 1871, I think. I believe Mr. Whiting will furnish that.

By Mr. STONE:

Q. You said that any statement of a combination in which your company is a part is a pure romance?—A. Yes, sir.

Q. Mr. Brumm, a member of Congress from this State, in his statement before this committee said that these corporations and individuals have no expectation of mining and shipping more coal than the

markets demand at the ruling prices, and that they inaugurated a sy
tem of allotment by which it is agreed that each shall have a certai
per centage during the year; and the Reading percentage, I think, i
something like 30 per cent. Is there anything in that statement?-
A. He has been misinformed. I state to you that there is no combin
tion, and there has been none since I came here.

Q. You say that is not true?—A. Yes, sir.

Q. Have you a man in your employ by the name of John Brenna
or Dunnan, or any such name as that?—A. I do not know of any.

Q. Have you a man in your employ, who is known as a mine inspe
tor, employed by the Reading Railroad Company, for the purpose
ascertaining the mining or shipping capacities of the various collieri
and rating them so as to know just how many cars each colliery is to
supplied with?—A. I think we have, sir. The object of this is that t
mines shall not be supplied with any more cars than they need, and if
are short of cars they shall be fairly divided with the people who ship ov
the road. Sometimes we have a large supply of cars on hand, th
again we do not have as many. We endeavor to furnish the vario
parties who ship over the road as nearly evenly as we can, and we
not want to haul one hundred cars to one man, when he would not pr
duce perhaps more than fifty car-loads of coal, and leave, perhaps, a
other man short of fifty cars. That is just what that is for. I say th
is not done for the purpose of limiting the output, but it is for t
purpose of furnishing cars. It is not for any other purpose, except
distribute our cars in the best possible way, and let all the people ha
their proper quota.

Q. Do you know any sort of combination or arrangement by whi
the operator will not be furnished cars for the full amount of his capa
ity?—A. There is no such arrangement. I undertake to say there
no such practice, and never has been to my knowledge. We aim
furnish all the rolling stock we can. It would be stupid in us to und
take to limit an operator who is getting out coal by an arrangement
any description when we could haul that coal and make money out
it. We have just ordered a lot of cars, for we have to keep a full su
ply of cars. Here we have 45 collieries of our own, and there are so
of other people. Nobody has any disposition to limit them in cars, n
to limit them in production. I thank you very much for bringing t
matter up in order that I might explain it.

By Mr. ANDERSON:

Q. Suppose there should be a rise of anthracite coal in the count
and that the coal company should have a large supply of coal on ha
and should desire to take advantage of the rise in the market, and su
pose that rise to be temporary; would these individual operators, w
would of course desire to ship and avail themselves of the increas
price—would they be furnished with cars as freely as the coal co
pany?—A. Yes, sir.

Q. Has there been at any time, within your knowledge, a neglect
furnish cars to private operators or other of your customers along t
line of your road, except the Reading Coal Company?—A. Never, s
we have furnished them promptly with the cars they wanted. I thi
we have treated the operators along the line of our road as well as p
sible in regard to cars, and I do not believe you will find any complai
from them. We have been very prompt in furnishing cars for all t
coal.

Q. Were you bound to do it?—A. I know our policy is to furni
private operators or citizens with all the cars they want, because

want to please the people. It is not only our duty, but our profit. If you or anybody else come for cars I guarantee you will be provided with cars.

Q. How much of the gross earnings of the railroad company goes to the payment of the interest of the debt or mortgage in any form of the coal company or the cost of its operation?—A. No portion of the earnings of the railroad company.

Q. Has the railroad company in any way guaranteed the payment of the coal company's indebtedness?—A. I think they practically owe that indebtedness by reason of the ownership of the stock; besides, when the coal company is stuck the railroad company has trusted them for the tolls and never got their money.

Q. Then in that case the railroad company has hauled their coal for nothing and at the same time charged individual operators, which has been a discrimination of freights?—A. No, sir. In the one case we lost money in the mining; the coal company did not have money enough to pay. Last year they paid the tolls promptly.

Q. How much is the indebtedness of the coal company to the railroad company for tolls which were not paid? Can you furnish these statistics?—A. Yes, sir; I think I can. I want to say this: We have never intentionally lost any money by the coal company. We got stuck once, but it was unintentional and impossible to avoid. We do not intend to let them stick us any more. If we can not mine coal at a profit we shall stop and try to find some way of getting out of it.

Q. According to my theory your railroad company has not a particle of right to own that property.—A. We have had that examined a good many times, and I think the lawyers—I do not know that they are good for very much—but they have already stated that there was no way out of it, and I do not believe there is.

By Mr. STONE:

Q. What is the rate of freight charged individual operators from Schuylkill Haven to Port Richmond, and also from Schuylkill to Elizabethport?—A. I do not know.

Q. Can you give that later?—A. Yes, sir.

Q. I would like, also, if you will please furnish the committee the rate per ton per mile that they charged to individual operators; and also please furnish the total coal tonnage by months for the year 1887, showing the proportion which came from the Reading Coal Company and the proportion which came from individual operators. I understood you to say some time since that a gentleman whom you named fixes the price of coal at those mines?—A. No; at tide-water.

Q. Who fixes the price of coal at Schuylkill Haven?—A. Nobody. The price of coal at Schuylkill Haven is fixed by the result of the coal business for the month. The price at Schuylkill Haven is what it nets to the company less the tolls to the various points. We take five or six or seven collieries of our own mines and draw from the earnings of the various collieries a given number of collieries, and we take the result—but I prefer that you let Mr. Whiting explain that business, as I am a little mixed on that, especially as there has been so much to mix me here to-day.

Q. Did you happen to see an article which appeared in the Philadelphia Record, I think on the 14th, making a statement as to the history of the Reading Coal and Iron Company?—A. No, I did not read it.

Q. I remember one statement was that the Reading road, I think, back to 1870, hauled coal from Philadelphia at $1.25 a ton, and they are now charging $1.85; is that correct?—A. I do not know, sir.

Q. You can obtain that information ?—A. Yes, sir.

Q. Have you not seen in the newspapers accounts of the mee coal men at different times in New York and elsewhere to fix tl of coal ?—A. I have not. I have seen statements made that sucl were being done, but I have never seen anything definite. T none in which we are interested. I know nothing in regard coal companies, but I believe there is no truth in it at all.

Q. In other words, that where there are three lines hauling c the three regions, the Schuylkill, the Lehigh, and the W and those three lines being in the hands of a few men, as in of your company being both coal owner and operator, that tl dent would not have any knowledge of what the other gentle doing ?—A. I think they know what tolls are being paid, and v output is, but they are all fighting each other and trying to get of each other, and they are selling coal at absolutely ruinou There is no combination, and no talk of combination, and the was, that I had anything to do with.

Q. This statement that I now have is the article which was p in the Philadelphia Record. It states: "As early as 1857 c sold in Philadelphia, delivered on board for shipment, at $2.80 In the same year coal was sold at Schuylkill Haven for $1.75 and the cost of transportion to Philadelphia was $1.25 per ton, the whole price in Philadelphia only $3 per ton. To day the w price in Philadelphia exceeds $4.80 per ton." Further along i "The charges of the railroad company have been increased b of combinations, notwithstanding that the actual cost of tra tion has decreased, so that to-day the Reading Company is c $1.80 per ton for a service that it performed in 1857 for $ ton." Is that true ?—A. I do not know. I will furnish the bo

Q. It states, "To increase its profits and to pay interest on i sive debt, it resorted to the scheme of depressing the price of the mines and increasing the charges for transportation." Is t rect ?—A. I do not think that is correct. I do not think ther truth in it, but I would not like to dispute the Record.

Q. I understood you to say a while ago that the price of coal at kill Haven was determined by the net profit which was made u coal or individual mines after you had deducted the freight ?— sir.

Q. Now, it does not make any difference to the owners of t ing Railroad whether they receive a profit on the low prices t at the mines or whether they receive it on the high prices the for freight, it all goes into the same pockets ?—A. But our frei limited, as we have to compete with other people. In my opi freight rates for transporting coal and the profit on that is a poorest business we do.

Q. Why ?—A. If we haul down 100 car-loads of coal we d have anything back. We have to carry them back empty, an way we get less.

Q. About what per ton do you get; is not it about 2 c mile ?—A. No, sir; the report shows it.

By Mr. CHIPMAN:

Q. What competition have you in carrying from Schuylkill H A. We have no other, sir, from these particular mines, and for other mines in the locality that come out at the Lehigh and vania.

Q. From how many mines have you the carrying trade?—A. Pretty much all we have been talking about here to-day. There are some that go by the Pennsylvania as being near their line in the Schuylkill Valley.

Q. How much of this output have you the sole carrying?—A. I think our own output is about 10 per cent., and as much more.

Q. Who competes for that 10 or 15 per cent.?—A. I think it would be a large competition with the Pennsylvania Railroad, but I could not give you what extent.

Q. How near is the Pennsylvania?—A. They run right up on the other side of the river.

By the CHAIRMAN:

Q. What about this river; has it no water transit?—A. Yes, sir; but that is too slow now. The old canals are so slow they are hardly used, as the railroads have become so much more expeditious.

Q. Especially when there is a railroad on the other side that can not combine?—A. I wish to call the attention of the committee to the fact that the transportation of coal is different from anything else. Now, we transport a car-load of merchandise to New York by the Bound Brook road and we deliver it there and we bring the cars back to Philadelphia full. We haul 180 miles and get freight in each direction. Of course we can not afford to carry general merchandise one way and not the other, because it is cheaper where we have a load both ways than one way. You have got to bring back empty coal cars and it costs much more. What you want to do is to average the price of coal. We have to get special coal cars, and they are very expensive cars, and if you figure on the rate per mile for coal you have got to understand that. On coal you get transportation only one way, and because you get transportation freight only one way you must not judge it like other freight.

By Mr. ANDERSON:

Q. But your coal cars in that respect are in no ways different from the coal cars that go to Kansas?—A. I do not understand about that.

Q. I use anthracite coal coming from this region, and if the roads on the long through haul can afford to carry empties back for 1,500 or 2,000 miles, and still make money, it is reasonable to suppose you can carry empties for 100 miles and not lose money?—A. We have not been able to do it; what we may do hereafter I do not know.

Q. I presume what you state as to coal-cars being empty is also true of all railroads?

By Mr. STONE:

Q. Did you say you could carry coal cheaper than it could be carried on the canal?—A. People will not wait for it on the canal.

Q. Is this canal being operated now?—A. No, sir. In old times that was the only way. Now, a man does not want to pour coal in a boat to 20 or 30 miles and pull it out again.

Q. Is the canal in a condition to operate?—A. It is in a condition to be used. This is where we got so badly hurt.

Q. It has been stated before this committee that coal was carried over the canal to tide-water for about 15 cents a ton.—A. It never has been in my day and I do not believe it was in anybody's day.

Q. It has not been carried for that?—A. No, sir.

Q. Have you any statistics that would show what it did cost?—A. I think we can show you what the canal earned for carrying coal.

Q. Is the canal you speak of run in connection with the railroad under its control?—A. Yes, sir.

Q. Can you give me the price of carrying coal down a canal oper as an independent line?—A. I do not know. Coal goes over the Su hanna as an independent line and shows its own profit and loss; so the Schuylkill Navigation Company. I think I can give the info tion you want.

PHILADELPHIA, *February* 16, 18

TESTIMONY OF S. B. WHITING.

S. B. WHITING was sworn and examined.

By Mr. PARKER:

Q. Are you a native of Pennsylvania?—A. No, sir; I am a nati Connecticut.

Q. Please state your age.—A. I am fifty-four.

Q. How long have you been a resident of this State?—A. Since when I came into this State.

Q. What is your official position?—A. I am general superinte of the Philadelphia and Reading Coal and Iron Company.

Q. How long have you occupied that position?—A. I have been executive officer for nine or ten years, but under different titles.

Q. Please state how long you have been in your present positi A. I have been in the present position for about nine years. I been designated by different titles, chief executive, manager, and s intendent.

Q. What is your official position at present?—A. Executive offi charge of the mines.

Q. What is the name of that officer?—A. General superintende

Q. Who is president of your company?—A. Mr. George deB. I

Q. Now, how many years have you occupied an executive positi that coal company?—A. About nine. I have been with the com some eleven years.

Q. Previous to that had you any business charge of the coal o tion?—A. I was engaged previously to that in building mining ma ery.

Q. Coal-mining machinery?—A. Yes, sir.

Q. Then this Schuylkill Valley work was the first public mining which you have been connected?—A. Yes, sir.

Q. Have you been in active and continued charge since that ti the Schuylkill mines so far as they were controlled by this compa producers?—A. Yes, sir.

Q. Have you made the coal system a study?—A. Yes, as a mat necessity.

Q. About what is the number of square miles of anthracite-coal la A. I could not recollect these figures. I should have to refer to report to ascertain this. I have no knowledge of that.

Q. Is it not about 475 miles?—A. I could not say from memo should have to rely upon some report for that.

Q. Can you tell how many square miles there are in the Schu system?—A. No, sir; not from memory.

Q. Can you tell about how many?—A. I do not know that.

Q. As near as you can tell?—A. I have not had occasion to use the figures and am not familiar with them.

Q. Will you look at the bottom column of this (Hand-book of the Geological Department). Do you find there a statement of the square mileage of anthracite coal in Pennsylvania?—A. Yes, sir.

Q. You are familiar, I presume, with that document?—A. I have seen it. I suppose it to be substantially correct.

Q. Then give the mileage?—A. The mileage given here is for square miles in the northern district, 200; in the eastern middle district, 40; in the western district, 90; in the southern district, 140; in the Loyalsock, unknown; total, 470.

Q. What portion of that do you denominate the Schuykill?—A. The southern, I think. I do not know what these geological divisions are, as indicated there.

Q. The one marked southern there you understand it to be, and comprises how many square miles?—A. One hundred and forty, as stated there.

Q. Does that agree with your opinion?—A. I have no figures in my mind to base an opinion upon.

Q. Do you regard that as correct?—A. I do. I should apply to such a work as that if I wished to ascertain that fact.

Q. Will you give the annual output of these properties in 1886?—A. I should have to rely on newspaper reports.

Q. Look on page 295, if you will.—A. The figures given here are these: Pennsylvania anthracite, total production in 1886, 32,764,710 long tons.

Q. Is that approximately correct, in your opinion?—A. I believe it to be. I have no other knowledge than I derive from such a statement as this.

Q. A long ton is how much?—A. Twenty-two hundred and forty pounds.

Q. Is that the ton meant in trade, when speaking of tons of coal in that region?—A. Yes, sir.

Q. The treatment of coal by tons intends to mean long tons?—A. Yes, sir.

Q. Will you give us the output for a period of years of the mines?—A. I can by reference.

Q. Will you look at page 299?—A. A table here gives a series of reports from 1820 to 1886, inclusive.

Q. From an examination which you are able to make of that do you believe it to be correct?—A. I believe it to be the same as generally accepted as the production.

Q. You may read the last five years of the total output.—A. That would be commencing in 1882; in long tons, 1882, 29,120,096 tons.

Q. It will answer if you give it in round numbers.—A. In 1883, 31,793,000 tons; in 1884, 30,718,293 tons; in 1885, 31,623,530 tons; in 1886, 32,136,362 tons.

Q. What was the output in 1887?—A. It was something over 33,000,000, according to my recollection. I have not seen the figures officially, but my recollection of it is it was something over 33,000,000.

Q. Now, what was the output of the Schuylkill mines during the year 1887?—A. What do you mean by the Schuylkill, the whole southern basin?

Q. Well, that which is known geographically, in common parlance, as the Schuylkill system.—A. From the Schuylkill basin shipments are made over the Pennsylvania, over the Lehigh Valley, over the Reading

Railroad, and by the Lehigh Coal and Navigation Company, and have no means of getting at the aggregate of those shipments.

Q. Will you give us the Schuylkill output as estimated for the la five years? I think you will find it in that table.—A. This divisi here does not seem to cover especially the Schuylkill as distinct fr the Lehigh and Wyoming. This division is the northern, western, mi dle, and probably refers to some map. It gives the shipments by v rious railroads from these several divisions, but it does not make su a division as I understand you to ask for.

Q. Will you allow me to look at it for a moment? Can you give m from the document an approximate statement of the output of th Schuylkill Valley for the last five or six years?—A. No, sir; I canno I have no figures of any other shipments than those of the Reading Co and Iron Company, and probably a report of the shipments of the Rea ing Railroad Company.

Q. Look at the second column of figures in a tabulated form.—A. see what you refer to here.

Q. Can you give me now the output of the Schuylkill mines for th same five years, 1882 to 1886?—A. They subdivide here the tables gave between the Schuylkill, the Lehigh, and the Wyoming. For thes six years, in 1882 the Schuylkill is credited with 9,459,288; in 1883, 10 740,726; in 1884, 9,478,314; in 1885, 9,488,426 tons; in 1886, 9,314,00 tons.

Q. Follow it with your estimate for 1887, if you please.—A. I hav not it. I have not the shipments from the Pennsylvania mines.

Q. I want the best estimate you, in your judgment, can put upo it?—A. I should say it was between 9,000,000 and 9,500,000; in th neighborhood of nine and a half millions.

Q. The author of that work, please give his name.—A. James A. As burner, who has been connected with the geological survey of Pennsy vania for a number of years.

Q. Is he considered very good authority?—A. Yes, sir.

Q. Can you tell me the number of cubic feet of average coal in th mines required to make a long ton?—A. It is extremely variable.

Q. Well, give us about the average; of course a man can not be exa in all of these things.—A. I should say that would vary. You mea cubic feet as taken from the mines?

Q. Yes, sir; cubic feet as in the mines, say solid in the mines?—A. should have to make that entirely an estimate; I have no figures of a sort for that.

Q. Suppose you estimate royalty upon the face of an open mine, jud ing of the cubic contents, how many cubic feet would it be fair to all to make a long ton?—A. From 800 to 1,000 tons are estimated to gotten from a square acre one foot thick.

Q. That covers it. The coal as mined is taken out in coal-cars, what you call wagon; which name do you use?—A. Mining wagons.

Q. How many cubic feet does a mining wagon hold?—A. This also extremely variable—from 70 to 120 feet.

Q. By the way, of the witnesses who have been examined, some s there has been a remarkable growth in the size of wagons in a few yea and thus they are paid less per wagon, while the wagon holds more p wagon. Will you tell us how you understand that to be?—A. I a sure I do not know what they mean by that. We have these vario size wagons, but where our work is paid for by the wagon that diffe ence is taken into account.

Q. Do you estimate a wagon load at so many cubic feet, or so muc weight, or simply a box full?—A. It is a wagon load; we do not weigh that output at all.

Q. Then a wagon is filled and it is called so many wagons?—A. So many wagons, and returns are made that way.

Q. You are not aware of any gradual or other increase in the size of wagons so as to require more work per wagon load during the period you have been there?—A. No, sir.

Q. Possibly they meant some other mine. Now, is there a difference in the expenses of mining for the different seasons of the year?—A. There is a difference in the total expenses. The difference in the inside cost would be little, but the difference in outside cost would be very considerable.

Q. Well, how much would it be for a car-load? It ought not to be very hard to give an estimate.—A. As to the inside mining?

Q. As to the outside, we will say, if the inside is little.—A. It would amount to about a few cents per ton.

Q. What do you mean by the term outside mining?—A. I mean the expenses above ground.

Q. By whom are the expenses above ground borne?—A. By the producers—by the operators.

Q. So the railroad company coming in your mines would not bear any proportion of this increased cost of winter mining?—A. No, sir. It costs more to get the cars under the breaker, and that railroad work they do.

Q. Only that?—A. Yes; only that.

Q. How many collieries are there in the Schuylkill system as worked in connection with the Reading Railroad?—A. I have not that information. I do not remember the number of them. This map which I have here I think gives that. I think that map gives the names. [Examines map.

Q. Give them in the whole Schuylkill system if you can definitely give the number.—A. This does not give the number, and the fields as recognized here are mixed up, and I should have to pick out the names, but I can give you that later.

Q. Can you tell us just about how many collieries there are contributory to the Reading Railroad?—A. I could not, but the coal is shipping from about 45 collieries.

Q. Of their own?—A. Yes.

Q. How many do they own?—A. A portion are leased collieries.

Q. What portion?—A. There are 11.

Q. There are 11 leased?—A. Yes, sir; they lease from other parties.

Q. They are leased by the railroad company?—A. No, sir.

Q. By whom are they leased?—A. By the coal and iron company.

Q. Is there a fixed basis of rental?—A. In special cases there is.

Q. Is that based upon any estimated amount of coal and convenience of getting it out, or is it an independent bargain?—A. It is an independent bargain.

Q. Taking into consideration different circumstances in each colliery?—A. Yes, sir.

Q. What is the output of these leased collieries?—A. The coal mined by the coal and iron company last year from lands owned by others was 1,169,690 tons.

Q. And from your own lands?—A. The tonnage mined by the company, owned or controlled by them, was 5,510,161.

Q. Exclusive of leased lands?—A. Yes, of leased land.

Q. What is the average production of the coal company's collieries
A. I do not know that I understand the question fully.

Q. What is the average production of the collieries that are worl by the railroad company?—A. You mean what is the output of e colliery separately?

Q. Yes, sir; and what they would average; give the aggregate.—A have the aggregate of all the collieries worked by the coal and i Company.

Q. Including the leased lands?—A. Including the leased lands. T total tonnage mined by the coal and iron company in 1887 was 6,278, tons.

Q. That includes all that was received in the coal and iron company A. This is the product that they mined, which the coal and iron c pany mined.

Q. Including the collieries they leased?—A. Including the collie we leased from other parties.

Q. This is a statement showing the output of their own collieries a those they leased?—A. These are the figures which I have given y

Q. But they do not show whether you take more coal per colliery fr those leased and those you own?—A. No. sir; that does not show but I gave you that.

Mr. CHIPMAN. How was that.

The WITNESS. I stated that we got from the leased lands 1,169, tons.

By Mr. PARKER:

Q. How much will the most productive of these collieries yield?— We produced in the last year from one of the collieries 314,886 tons.

Q. Was that a leased colliery?—A. It was our own colliery. I lieve previous to this the largest output from any single colliery w 434,091 tons.

Q. Was that one owned by the company?—A. Yes, sir.

Q. Now please give us the other extreme?—A. The other extre from our own collieries would be 9,000 tons.

Q. What colliery was that?—A. The Kalmia colliery.

Q. Now turn to the leased collieries and give us the extremes the —A. There is the Girard, from which we shipped 160,614 tons, and other one, the Gilberton, we shipped 181,385.

Q. Now, if you will, please give us the smallest.—A. The names included with other collieries. One colliery shipped but 16 tons. T colliery is being extended, the entire roof having sunk, for insta and it is entirely idle. Another shipped 60,963.

Q. What can you tell us of other companies and individual collie in the Schuylkill system?—A. I have no records of any other collie except these, either operated by the company or by tenants on land.

Q. Can you tell us the tonnage of these collieries operated by i viduals and collieries in the neighborhood?—A. I have not that d at all. There are a number of tenants shipping from our lands.

Q. Are the products of these mines operated by tenants include the coal and iron company's statement?—A. They are included h

Q. In the six years?—A. No, sir; not in that statement. That only what we mined ourselves.

Q. About how much would the coal amount to which is mined by tenants?—A. The coal mined by tenants from lands owned by the c pany was 450,294 tons; and coal mined by tenants from lands control by the company is 171,350 tons.

Mr. CHIPMAN. Then, I understand, you are leasing some of your collieries?

The WITNESS. Certainly.

Q. Then you are landlords?—A. Yes, sir.

By Mr. PARKER:

Q. What amount of coal had your company on hand in the mines in September, 1887?—A. We had no coal on hand in the mines.

Q. Then we will make it broader to cover that; how much had you in the State of Pennsylvania at that time?—A. I have no such data.

Q. Well, give us your estimate; you are the man referred to yesterday who could give us such information.—A. I should have to get the reports of the sales department who have that coal at various points. We have not any at the mines.

Q. What do you mean by sales department?—A. The department of the company that disposes of the coal.

Q. That is a part of the coal and iron company who dispose of the coal?—A. Yes, sir.

Q. And that department consist of how many?—A. I could not tell you.

Q. Are they individuals located at different points?—A. I do not know. I have no communication with any one but the head of the department.

Q. Who is that?—A. Mr. Thomas N. Richards.

Q. Where is his location?—A. At the Philadelphia office, 227 South Fourth street.

Q. Can not you give an approximate statement of the amount of coal held at any point by your company in September last?—A. No, sir. I could of course give you the figures, but I would have to get them from some one else.

Q. Mr. Richards is the man that has these, then?—A. Mr. Richards would know what these amounts were.

Q. I would like to have an estimate of the anthracite coal on hand unsold in Pennsylvania about the 1st of September last?—A. I have no idea what it was, sir, and I have no means of forming an opinion.

Q. What was the price of coal in April?—A. I have not those figures at all. I never have occasion to handle them. Mr. Richards could give you those.

Q. You remember there was an increase in output between April and January?—A. I would have no occasion to know that, except in a general way, as I might see it stated in the papers.

Q. Who would know these facts?—A. Mr. Richards would know these facts.

Q. Was there a large amount of coal on hand at any time up to September last?—A. No, sir; not more than the usual condition.

Q. About how much would that be?—A. It would only be that which we could use. Of course as soon as coal is prepared and finished it is put in cars and we do not hold it.

Q. How much would that be in car loads or any other way; about how much, say from the pick to the railroad, ready to be shipped out of the State?—A. That is a very difficult question to answer. It would be the amount that might happen to be in the breakers or standing in cars at the breakers. It would be difficult to state. I am not aware of any change in the condition, but what this is, is very difficult to say.

Q. Could you not give us your estimate of that, somewhere approximately. You understand the business and we do not?—A. I would like you to understand that when you speak of coal we would not consider that it was coal for the market until it was ready to put into the cars. There would be no accumulation in that respect in cars, except in the buckets ready to load into the cars. There might be, and probably usually is, in the ordinary course of business 3,000 or 4,000 tons in the breakers continually.

Mr. ANDERSON. How much in the buckets?

The WITNESS. The buckets are portions of the breaker in which the coal is stored in proportion to the separate sizes, and very much coal is loaded in the cars.

By Mr. PARKER:

Q. How much between the breakers and the mines?—A. None.

Q. I mean the unbroken coal.—A. There would be very little of that at any time.

Q. Well, when does the coal pass from the breakers?—A. The coal is mined and loaded into the mining wagon, and when these cars are loaded they are taken and dumped into the breaker.

Q. Immediately?—A. There would be none standing but enough to fill the mine wagons themselves; it would be a very small quantity.

Q. Where is it taken from the breaker?—A. It is loaded directly into the railroad cars. The railroad tracks run under the breaker and the coal is loaded by a schute directly from these buckets into the cars.

Q. And where is it taken for distribution from there?—A. To the various railroad scales, where the coal is weighed.

Q. Where is that mostly weighed?—A. All the coal which we produce is weighed at several points. There is one at Shamokin, and there is one at Cressona; there is one at Tamaqua. These are the principal ones. These are the outlets from the region.

Q. Are these weighing scales controlled by your company?—A. They are rather controlled by the railroad company.

Q. Who has control of them?—A. They are controlled by the railroad company.

Q. Who has the statistics of the weighing made by these scales?—A. As I understand, returns are sent to every shipper.

Q. Does not your company have a statement of those weighings?—A. Yes; as any one else does. As I understand it, returns are made to every one who is shipping coal.

Q. Have you got a statement upon your books of the amount of weighings by those scales coming from your mines?—A. There is such a thing, I presume, but it does not come into my department.

Q. Who has charge of these statistics?—A. I would be unable to say.

Q. These weighing returns would show the amounts coming from the lands of the company you represent by day, by week, and by month?—A. I presume they would.

Q. So as to show the product regularly?—A. Yes, sir.

Q. And the output?—A. Yes, sir.

Q. You have not these and have not access to them?—A. I presume I could get any such information.

Q. But you have none in your custody?—A. No, sir.

Q. From the point of shipment into these cars is the coal unloaded before it reaches its destination there at tide water, or to the point of consumption in the country?—A. It may be in various cases.

Q. Well, give us the custom of the movement.—A. Where the coal can reach the destination in the car, of course it is not unloaded. Where shipments are made for the extreme West there is a transfer, and the coal is dumped in order to load it into the house cars, which will not go under the breakers.

Q. Where is that done ?—A. At Shamokin.

Q. Does a large amount pass through this transfer ?—A. It depends upon the demand, which is variable.

Q. Is a record kept of that amount ?—A. Certainly, sir.

Q. Are any other records kept of other amounts in transfer there except these weighing records ?—A. I am not aware of it.

Q. Where do you store your coal ?—A. We have no storage points except the shipping points. There is a point, Port Richmond, where coal is sent for reshipment.

Q. Do you have any storage points there in the mines, or around them, or upon your line ?—A. No, sir.

Q. You have no main central storage point ?—A. No, sir; there is no point to which coal is sent to accumulate except for reshipment, as at Port Richmond.

Q. All coal going to Port Richmond and Elizabethport will be marked and given its proper record at the weighing scale, will it not ?—A. As I understand that matter, the consignment of coal is made from the scales to its destination, whatever that may be.

Q. To these ports ?—A. Yes, sir.

Q. Has your company any interest in the Port Richmond property ?—A. The Coal and Iron Company ? No, sir; I do not understand that we have.

Q. What property has the Coal and Iron Company outside of its own territory ?—A. I might say none.

Q. Does not it own the colliers ?—A. I do not know, really, sir. I understand them to belong to the railroad company.

Q. I got a different impression from Mr. Corbin, but it was not very definite. You do not know of any property that the coal company owns outside of its territory ?—A. It is interested in some other land, but that would be a portion of its territory.

Q. Within its territory there ?—A. It is within the Schuylkill region.

Q. Where ?—A. In the Cumberland Valley, near the Boiling Springs.

Q. What other property has it outside of its territory ?—A. I understand it is interested in coal mines near Cold Spring, N. Y.

Q. Has it any other outside property ?—A. I do not recall any.

Q. Can you give an estimate of the amount of coal shipped in September ?—A. Giving the total output ?

Q. Yes, sir.—A. I have not those figures at all. I think I have our own shipments, but I have not any others.

Q. Well, perhaps that is not necessary now. Has Mr. Richards these figures, or figures which will show these facts ?—A. I do not know whether he has the shipments of any one but our own company.

Q. Now, I would like to have your estimate of the amount of coal unsold which belonged to the company on the 1st of Semptember last, wherever the same may have been.—A. I have no knowledge of any, or means of knowing it. I should have to rely upon the information from some one else.

Q. Can any one tell that ?—A. I presume Mr. Richards would know what the coal company had at that time unsold.

Q. It was scattered in different points ?—A. I have no knowledge of that. I have no knowledge of any except that under the breakers.

Q. But Mr. Richards will be able to furnish these facts ?—A. I should say so, sir.

Q. Who is John H. Jones ?—A. He was known as an accountant, who collected statistics of coal some years past.

Q. Was he considered pretty good authority?—A. I believe he was, sir.

Q. What is his address?—A. That I really do not know.

Q. Does he reside here in the city of Philadelphia?—A. I could not say. I saw a newspaper statement that he had accepted the presidency of some coal company, and I do not know where he is now.

Q. Will you look at this January statement of the coal production in the Press of February 16, including the marked points?—A. Yes, sir.

Q. Mr. Jones is stated to be a statistician who has an office on Walnut street above Fourth, and resides in Germantown. Do you know anything to the contrary?—A. No, sir; I know nothing to the contrary.

Q. I believe he has some business relations with your company?—A. I am not aware of it. I think he had at one time with the railroad company, but I do not know that he had any with the Coal and Iron Company.

Q. Do you know whether he is furnished with statistics by your company?—A. I do not know. He does not get them from me, but I presume they are furnished him.

Q. Do you know whether he has any relations whatever with your company?—A. I do not know, but I do not believe that he has.

Q. He takes no action in relation to its affairs?—A. I have no knowledge of that.

Q. Is his statement correct so far as it purports to set forth the facts?—A. I have no knowledge of that, but I should look upon that as a correct statement. I have no reason to doubt it. I have no means of knowing what the figures are or what they should be.

Q. Suppose you read it, Mr. Anderson, if you will.

Mr. Anderson read as follows:

JANUARY COAL PRODUCTION—AN INCREASE OF OVER 12,000 TONS FOR THE MONTH.

The official statistics of the production of anthracite coal during the month of January, prepared by John H. Jones, chief of the bureau of anthracite coal statistics, issued yesterday, is given in the table following. It was predicted by the Press late in December and early in January that, in spite of the strike in the Lehigh and Schuylkill regions, the total production for January would show no falling off from, and might show a slight increase over, the production of January, 1886. This estimate is borne out by the subjoined figures, which show the largest January production for three years.

This statement includes the entire production of anthracite coal, excepting that consumed by employés and for steam and heating purposes about the mines, but does not represent the entire anthracite coal tonnage actually transported by the respective railroad companies, adjustment being necessary in the compilation to avoid duplications, etc.:

	January, 1888.	January, 1887.	Difference.
	Tons.	*Tons.*	*Tons.*
Philadelphia and Reading	94,471.13	500,390.12	*405,918
Jersey Central	320,863.05	237,632.15	†92,230
Lehigh Valley	298,035.05	409,633.02	*111,597
Delaware, Lackawanna and Western	633,884.05	350,235.14	†283,64
Delaware and Hudson	391,885.01	355,640.11	†36,244
Pennsylvania Railroad	316,862.03	253,505.01	†63,357
Pennsylvania Coal	123,525.12	79,233.05	†44,292
New York, Lake Erie and Western	67,165.01	57,041.10	†10,123
Total	2,255,692.05	2,243,312.10	†12,37
Wyoming region	1,908,297.00	1,200,115.00	†708,18
Lehigh region	48,022.00	347,023.00	*299,001
Schuylkill	299,373.00	696,175.00	*396,80

* Decrease. † Increase.

The stock of coal on hand at tide-water shipping points January 31, 1888, was 95,168 tons; on December 31, 1887, 130,977 tons; decrease, 35,809 tons.

Mr. PARKER. For what price did coal sell at Schuylkill Haven, or any other point near you, in September last?—A. I have no knowledge of the prices.

Q. You can not give us any information about the prices at which coal sold then or any other time in the past year?—A. I have not that at all in my department. Mr. Richards can give you all these statistics. I have no occasion to handle them.

Q. And you can not give us any information as to the amount of coal moved from your mines during the months of September, October, and November, other than you have?—A. I know what shipment we made. The monthly shipments from our collieries are what you are referring to?

Q. Yes, sir.—A. I have not those figures with me.

Q. Can you get them definitely?—A. I can get them; yes, sir.

Q. Would it take some little time now to give the monthly shipments for the past year?—A. You refer to the product of the company as mined by themselves?

Q. Yes, sir.—A. I can get them for you at noon, sir.

Q. Can you also get the shipments from other collieries outside of your company?—A. I do not know where I should have to go for them.

Q. Are you able to get from any statistics that you have the amount of coal moved from the Lehigh and Wyoming Valleys?—A. I have no statistics, sir.

Q. Would Mr. Jones have those?—A. I presume so. I presume the other railroad authorities could furnish them.

Q. Could Mr. Richards furnish them?—A. Mr. Richards might have them.

Q. Will you give us a history of this coal company?—A. The coal company was in existence before I had anything to do with it.

Q. Under what title?—A. The Philadelphia and Reading Coal and Iron Company.

Q. And under the same organization when you first knew it?—A. Yes; as at present.

Q. It was incorporated?—A. Yes, sir; it had been, of course, for a number of years before I had any connection with it.

Q. Has there been any additional legislation concerning it since that time?—A. Not that I am aware of.

Q. And it has continued its corporate existence from that time to this?—A. As I understand, sir.

Q. And its organization is substantially as at the time of its organization?—A. Yes, sir.

Q. Have you the act of incorporation?—A. I have not, sir.

Q. This is the charter?—A. Yes, sir.

Q. What is the date of the charter?—A. It was approved the 18th of May, 1872.

Q. That is as you state it?—A. I believe it to be so.

Q. Was there any supplementary legislation of which you are aware?—A. No, sir.

Q. What is its financial organization now; is it a stock company?—A. I understand it to be so.

Q. How much is the stock?—A. I think Mr. Corbin gave those facts.

Q. About $40,000,000?—A. I do not know, sir.

Q. You do not know as to that?—A. I have no knowledge of that.

Q. Have you any knowledge of the debts and resources?—A. No, sir; I should have to refer to statements to get any such information.

Q. When was the Lehigh strike?—A. I think it commenced on the 10th of September.

Q. Have you a personal knowledge of the origin of that strike?— I have not a personal knowledge.

Q. Well, you know generally whether it was a strike for wages upon some other question?--A. I believe it to have been a strike f an advance, and for various changes in the system of payments.

Q. Covering both grounds then?—A. Yes, sir; as I understand it.

Q. On account of an advance of wages and on account of co plaints?—A. I am not aware of that. A printed circular, as I unde stand, was sent to all the operators making these demands.

Q. Have you seen it?—A. Yes, sir; one was sent to me.

Q. Have you a copy of it here?—A. Yes, sir.

Q. Very well; I think we will take that. You have no objection producing it?—A. I should like to get another one.

Q. We would like to put it in here, as it is historical, if you can spa it for us.

The CHAIRMAN. What is the length of the document?

The WITNESS. It is short, only one or two pages.

By Mr. PARKER:

Q. Is is tabulated?—A. No, sir; there are no figures in it.

Q. Let me look at it a moment.—A. I have no knowledge of it e cept that I received that one, and I presume it was sent to all the ope ators in all the regions.

Q. I would like to have a printed copy of it.—A. I presume I c get you one. This is the only one I have, and this was addressed me at the same time.

Q. Could you get us one probably at noon?—A. I hardly know. Th was issued by a committee representing the workingmen, and I do n know whether there are any copies. I can let you have this copy a endeavor to get another one.

Q. Very well; I wish you would.—A. I can only state that this w received by me, and, as I understand, it was sent to every one else.

EXHIBIT 24.

POTTSVILLE, PA., *August* 17, 1887

To the presidents of the several corporations, coal exchanges, firms, partnerships, and in dividual coal operators of the Lehigh and lower anthracite coal regions of Penn rania:

The undersigned committee, by virtue of appointment by a joint committee of Knights of Labor, the Miners' and Laborers' Amalgamated Association, and the I centric Engineers' Association of said anthracite coal fields, do now respectfully a finally demand that on and after the first day of September next you will pay all a each of your employés in and about the mines operated by you in accordance w the accompanying basis schedule as agreed upon by the aforesaid associations, otherwise that you meet us on or before above date for the purpose of settling question by arbitration. If arbitration is agreed to on or before that date work s continue pending the same.

BASIS SCHEDULE.

1. Wages and contract prices for the lower anthracite regions shall be regula by the average price of coal at Schuylkill Haven, and the minimum price of c upon which wages shall be based shall be $2.50 per ton of 2,240 pounds, and the s ing scale or rate of advance on said wages and prices shall be at the rate of 33 cent. of the advance in the price of coal, as now.

For the Lehigh, wages and contract prices shall be regulated by the average p of coal at tide-water, and the minimum price of coal upon which such wages and c tract prices for the Lehigh shall be based shall be $4 per ton of 2,240 pounds. the sliding scale or rates of advance on said wages and prices shall be at the rat 12.5 per cent. on every dollar or fractional part of a dollar advance in the pric coal at tide-water above $4 per ton until the price of coal shall reach $5 per ll advances in the price of coal at tide-water above $5 per ton all said wages ract prices shall advance at the rate of 25 per cent. for every dollar or fracrt of a dollar above $5, which, added to the above rate of 12.5 per cent. and or minimum wages, shall be the current rates of wages and contract prices.

following shall be the basis wages and contract prices:

mining 1[illegible] cubic feet shall constitute one ton, and the basis price shall be 45 ton for mammoth or big vein, and 50 cents per ton for Wharton or small t less than 4 feet thick. Extraordinary interventions of slate, rock, etc., vided for by special contract.

mining all veins 4 feet thick and over, by the yard, company to load per yard linear measure 8 yards wide, and 50 cents additional for each hickness, and 50 cents per yard additional for each additional yard in width. nmoth vein to be broken as high as the employer requires at the above prices.

gangways (including timbering) of 6-foot collar, $6.50 per yard; 7-foot 7, and current contract price for coal, or $10 and $11 per yard, respectively, coal, and 50 cents per foot for blasting rock.

all narrow work of 25 square feet area, $3 per yard and current contract coal, or $1.50 per yard without coal, and proportionate price for all such ater than said area.

buggying, 5 cents per ton additional for first 20 yards or less, and 5 cents per tional for each 20 yards.

propping, 10 cents per foot lineal for all props put up.

driving chutes, $3 per yard and coal, or $5 per yard without coal for 6-foot nd $1 additional per foot of collar or width of chute.

putting in battery and platform or chute, $13; for platform or chute alone, $6.

r miners, per day, $2.25; for starters, per day, $2.25; for laborers, per day, $2.

l inside hands over seventeen years of age shall be considered and paid as . Those under seventeen years of age, not less than $1.50 per day on basis.

r first-class engineers, $65 per month; tender engineers, $60 per month; loco- $2 per day; plane, $55 per month; breaker, $55 per month; firemen, $55 per Engineers not included in above, 10 per cent. advance.

r blacksmiths, carpenters, and mechanics, $2.25 per day.

tside labor: First class, including platform and bar men, tip men, dumpers, k men, $1.75 per day; second class, $1.50 per day.

ate-pickers, twelve years of age, not less than $4.50 per week on basis; thirrs of age, $5 per week; fourteen years of age, $5.50 per week; sixteen years $6 per week. All of said wages and prices shall be advanced with prices of er sliding scale.

e average price of coal at tide-water, and at Schuylkill Haven, by which curges and contract prices for miners, laborers, and mechanics on above basis determined, shall be drawn or fixed on or before the third day of each month mittee of mining operators and miners of the respective regions, who in liberations shall consider the sales to small dealers and purchasers as well as es. And the said committee shall, under no circumstances, be permitted to or fix the monthly average by other standard than the five highest actual prices.

all matters of narrow and dead work, timbering, gangways, putting relief chutes, roads, and in difficult and dangerous employment, not provided for foregoing, where the employer and employé can not agree, shall be submitted ration.

spectfully ask that you will make answer on or before September 5, to any of ersigned committee.

JOHN H. DAVIS,
Mount Carmel, Pa.
JAMES BRODERICK,
Milnesville, Luzerne County, Pa.
M. J. SHIELDS,
Heckscherville, Pa.
RICHARD THOMPSON,
Middleport, Pa.
FRANK TERRELL,
Saint Nicholas, Pa.
M. B. SMITH,
Box 101, Mount Carmel, Pa.

low many men do you understand went out in the Lehigh region?—om 8,000 to 10,000, I think.

Vhat was the effect of that strike upon your mines and their ien?—A. Well, I do not know directly.

Q. Did it disturb the men, and did symptoms of uneasiness app among them; what was the effect there?—A. It did shortly after, cause they were called upon to sustain the Lehigh strike.

Q. In what manner?—A. To sustain it financially.

Q. Was there also an increase of workmen at your mines?—A. Pr ably, sir.

Q. Did you increase your working force in your mines after the high strike?—A. I presume so, sir.

Q. Can you tell how much larger you increased it?—A. No, sir; men were picked up singly as they came along as they were needed the bosses.

Q. When did the strike at your mines commence?—A. Practicall commenced about the middle of December; I mean by that the staid away from their work.

Q. They did not openly strike or declare a strike?—A. I do not k that they have done that in any way up to this time, or did that in Lehigh Valley; they simply staid away.

Q. Now if you will commence with the first symptoms of disturb and explain this strike and then give us the details and occurren you will give us the story.—A. My feeling is that the first uneasi among our men as miners was in connection with the strike on Reading Railroad. That is the first time that we recognized trouble.

Q. If you will go on and describe about it and state what was don A. Our men staid away. At a great many of the collieries the men not come out. The impression was, as stated by the public press, the miners had agreed to sustain the railroaders by any course might be necessary.

Q. Well, did not you talk with the miners about it?—A. I did sho afterwards, certainly.

Q. What was their statement as to the reason for stopping work A. Would you have me distinguish between the men that I saw and miners at large?

Q. Well, I want you to give us what you know about the origi that strike.—A. I conferred with our men belonging to an orga tion——

Mr. ANDERSON. What was that organization?

The WITNESS. It is an organization known as the Knights of La They staid away and our collieries were unable to work because men would not come out. Resolutions were passed at some of t meetings, as I understand, agreeing to sustain the railroaders in t strike.

By Mr. PARKER:

Q. Was any notice given to you in writing or otherwise of such a pose?—A. No, sir.

Q. How many men had stopped work before January 1?—A. collieries were reduced fully one-half previous to that. That was entirely due to men being absent, but it was partially due to the s car supply of that time, but we felt that one-half of our collieries sto in sympathy with the strike on the railroad. That was our feeling

Q. How did it occur that there was a short car supply?—A. Bec at the time of the railroad strike there was a time for a few days v the cars were not moving in the quantity that they had been.

Q. Were they left standing filled with coal?—A. I presume so. tially so and in their ordinary position.

Q. The emptied cars were not brought in as much as wanted?—A. No, sir.

Q. The reason being, as you understood it, was on account of the disturbance between the railroad and its employés?—A. Yes, sir.

Q. Now, will you describe further the proceedings and effect of this strike? Have you told us all that occurred to January 1?—A. No, sir; certainly not. Of course very much that I heard would be simply common newspaper rumor or report.

Q. But tell us what you saw, what occurred, and what effect it had?——A. It had the effect of keeping our men away from work. They staid away, said nothing, and gave us no notice.

Q. I suppose they were men who lived right there in the immediate neighborhood?—A. Yes, sir.

Q. Well, what did they do?—A. They staid away from their work.

Q. Staid where?—A. At home.

Q. In their houses?—A. I presume so, or about their homes. They did not come to the collieries to work.

Q. Did they work anywhere else?—A. I am not aware that they did.

Q. They became idle and remained idle?—A. Yes, sir.

Q. Do you understand how they were supported?—A. I do not.

Q. Well, after the 1st of January did they take any other action?—A. On the 1st of January they went out altogether.

Q. What effect upon the working of the collieries was produced by the failure to furnish sufficient cars?—A. Of course there was a small production.

Q. And that would throw some men out of employment?—A. Yes, sir.

Q. It did so?—A. Yes, sir.

Q. How many approximately?—A. I could not give that in detail. For instance, we have forty-five collieries at work; there was a time previous to January when only one-half of those could work, and I presume four or five of that twenty were stopped for want of cars, and the balance because the men did not come out. That is my recollection.

Q. Now, if you will come to the 1st of January, and tell us what developed then.—A. Previous to the 1st of January representatives of the miners, or of those labor organizations, asked to have an extension of the advance which had been made to them.

Q. The advance under the agreement of September 17?—A. Yes, sir; they asked to have that extended.

Q. About when was that request made?—A. I think somewhere in the neighborhood of the 20th; somewhere along there.

Q. Of December?—A. Yes, sir.

Q. Did a committee come to you?—A. Yes, sir.

Q. Who were they, or who were some of them?—A. John H. Davis was the chairman, and a man named Brennan; there were several.

Q. Did they present their request?—A. At first they did not.

Q. If they presented one in writing please let us have it, if we already have not got it.—A. I have here a copy of the first written request that was made. This was after I had had several interviews with them.

EXHIBIT 25.

[Committee of the K. of L., M. and L. A. A., and Locomotive Engineers' Association.]

POTTSVILLE, PA., *December* 21, 1887.

DEAR SIR: Fully appreciating the course pursued by your company in the past, especially by yourself and President Corbin in effecting and maintaining amicable and satisfactory relations with this committee, representing organized labor, this committee now desires to say that while it is their desire to continue the same feelings, we can not agree to any construction of the "memorandum of agre between your company and this committee, dated at Pottsville, September other than that said agreement terminates on January 1, 1888, for the reasoı would be unfair to ask the mine workers of this region to continue at work on existing previous to September 1, 1887. First, because the same reasons tl ranted the demand made for an advance on the basis in August still exist. S because the condition of affairs now and upon which the important provision agreement are based are the same as when the agreement was made. And at the time the receivers could not make any agreement extending beyond of January and so considered and accepted by the committee; therefore the i of a clause in the "memorandum of agreement" making any provision for yond the 1st of January can not in honor be considered binding.

In view of the fact that the price of coal is very likely to remain at a figı will warrant a continuation of the present agreement, we ask that the same, with present fraternal relations, be maintained at least until the company pared to make final settlement.

JOHN H. I
ROBERT M

S. B. WHITING, Esq.,
General Manager for the P. and R. C. and I. Co.

Q. That is the first written notice you received?—A. That is ı ollection.

Q. You received it about the date it bears?—A. What is the that?

Q. This bears date December 24?—A. I might have received day or another. I was confined to the house that day, but I re it about that day.

Mr. ANDERSON. By whom was this copy made?

The WITNESS. By my clerk at the office.

Q. Have you examined and tested it with the original to see i correct?—A. I have not, sir.

Mr. CHIPMAN. I understood you to say that the agreement re to by the Davis committee was September 17. They referred t tember 14 in that agreement?

The WITNESS. We had an interview on that date, the 14th, bu paper was given on September 17.

By Mr. PARKER:

Q. Were you present at the negotiation of September 14?—A. presented another memorandum of what they wanted us to acc We did on that day, or the previous day.

Q. Will you look at this memorandum and see whether that proposition they first submitted to you. Is that the memorandu did present?—A. I believe this to be the purport of the copy w gave to them as a copy of the original.

Q. Is that the proposition they made to you?—A. That was no ment, it was the proposition they made.

Q. And in response to that the company presented the agreen September 17?—A. Yes, sir.

Q. It was signed by your initials, which appear upon this pap Davis' testimony?—A. I believe it has them.

Q. And this agreement was made in response to the proposi which you allude?—A. That was drawn up in accordance with was embodying what the coal and iron company agreed to do, ceded.

Q. And this was the result of the negotiations of which tl memorandum formed a part?—A. Certainly.

Q. By whom was this thing composed?—A. By myself princi

Q. And the rest by whom ?—A. I wrote it out myself, and I gave the original copy.

Q. Well, was it not corrected and submitted to some other official ?—A. I certainly consulted with my immediate assistants.

Q. And had their assistance in making up the paper ?—A. Yes, sir.

Q. Who were they ?—A. Mr. Moses Ellis, our counsel.

Q. Who else was consulted in forming this paper ?—A. I do not remember as to the other men; but the superintendent was present, and I had his counsel.

Q. What is his name ?—A. John Veith.

Q. Who else was consulted before your initials were placed on it ?—A. I know of no other.

Q. Was Mr. Corbin consulted in any way ?—A. I suppose that the substance of that was submitted to Mr. Corbin.

Q. And did he make suggestions or additions ?—A. No, sir.

Q. But your counsel did, undoubtedly ?—A. Well, there were erasures. I do not know what the number was exactly, but it was submitted to him to see whether it was in proper form.

Q. Then this agreement was the result of a careful consideration on the part of the employing company ?—A. It had Mr. Corbin's approval, not just in that form, but essentially as to what was done and as to the concessions that were to be made. That was not presented in that form to Mr. Corbin.

Q. What difference was there between the one submitted to Mr. Corbin and this ?—A. Only, perhaps, in some slight change of words, nothing essential. This is essentially the same, almost word for word, with that which was submitted.

Q. Were some changes made upon his suggestion ?—A. No, sir.

Q. Now, if you will go on and detail the occurrences from the date of the presenting of these papers ?—A. This was in September, and that agreement was made to advance the basis for prices for labor and for contracts for four months.

Q. Now, you have given us the statement in writing, in which they asked you to continue this basis for the present after the 1st of January ?—A. They asked that it be extended.

Q. Now, what did you do in response to that request ?—A. I told them that the company was then in the hands of the receivers, and that we had no authority to go on after that time; that there would be an election, and it was supposed that the company would be taken out of the hands of the receivers on the 1st of January, and I told them that I did not feel that I had any authority to act for the company. I asked them to wait at least until the railroad and the coal and iron company were reorganized at the election, and until the new officers could be seen and their decision given upon the question.

Q. Did you understand that the phraseology used in the last portion of that agreement was used so that the new company, as it would be organized, could make their own bargain then with their employes ?—A. The object I thought was that on the 1st of January they could be placed just where they were before the 1st of September.

Q. And contemplating a new negotiation between the officers of the company that would be in the nature of a reorganization of their organization ?—A. Yes, sir; and I even went so far as to suggest what they wanted to do and certain changes to be made.

Q. Will you tell us these ?—A. Well, as to some of the methods under which the basis was operated. I feel that that basis system is hardly well understood by the committee. I judged so yesterday.

Q. Go on and explain.—A. The intention of the basis is simpl schedule of prices for different classes of workmen and for contrac When coal brings a certain price at Schuylkill Haven, that is $2. that schedule of basis wages and contracts is paid. For instance, min are paid $12 a week, or $12.40 a week. That is known as the basis pr when coal brings $2.50 at Schuylkill Haven. If it advances or decli 3 cents per ton, 1 per cent. is added to that schedule of prices.

The CHAIRMAN. Do you deduct for losses or declines?

The WITNESS. That was made as long ago as 1875.

Q. You say advance or decline?—A. That is a sliding scale of ba on which $2.50 a ton is the basis at Schuylkill Haven, and it slides b above and below.

By Mr. PARKER:

Q. That had been in effect from what date?—A. Oh, it had b from 1875.

Q. I understand it never went below the basis of $2.50?—A. It l done so; then in September we raised this basis price for the ti being 8 per cent.; that is, it raised the miners' wages from $2 to $2 a day for that time.

Q. You can explain that now as fully as you wish.—A. The impr sion some of you gentlemen gathered was that the advance or decl was one-third of the advance in the price of coal. It is a percentage these prices. The practical result of that is that the advance is ab 40 per cent.

Q. That advance was 8 cents a day on the wages?—A. Yes, wh ever the rates were. The practical result is that the labor is paid ab 40 per cent. of the advance and not one-third. It amounts to about per cent. Now, the Lehigh basis is similar except it is based upon t price of coal in New York, and the sliding scale is one in ten instead one in three. The rates paid are lower.

Q. Can you tell what per cent. or what proportion lower?—A man r ceiving $2 for coal mining under your basis would receive how much i the Lehigh Valley?—A. About $1.86; that is my recollection.

Q. There is that difference?—A. It might be $1.90.

Q. Is that all you wish to state as to that?—A. Yes, sir.

Mr. ANDERSON:

Q. State whether or no you positively stated to the men that th agreement was to terminate on the 1st of January?—A. That agre ment to pay any advance was to terminate then, because we had authority to continue any further than that.

Q. Why had you not authority to continue to act?—A. Because were officers of the receivers, and their receivership was to terminate the 1st of January.

Q. Did the men understand that to be the situation legally?— Certainly, sir.

Q. And therefore that was the reason why the agreement could be continued?—A. Yes, sir.

Q. The agreement to which you refer as entered into in Septem was this, that the terms between the company and the men gave the men an increase of 8 per cent. over the wages which had been p prior to September?—A. It was.

By Mr. PARKER:

Q. And did they ask for a still higher percentage?—A. They did,

Q. Before this?—A. Well, it would have amounted on some of prices, under that printed schedule, to 100 per cent.

Q. Did the committee of the workmen indicate that they expected to go back to the September basis, or did they expect that the basis of September 17 should be continued after January 1?—A. They agreed they would go back to any rate it was agreed upon by the other companies, that is, the Lehigh companies, where the men were on a strike; but also, if those men returned to work at any time after the 1st of January or any other time, that they should return to the old basis.

Q. That is embodied in the agreement itself?—A. Yes, sir; and they were confident at that time the strike would not last a month. As one of them remarked, if that strike was not beaten before the 1st of January it would never be. That is, if the operators were not beaten. There was no hesitation on their part in taking that ground.

Q. Then the fact that the Lehigh strike continued after the 1st of January was unlooked for by them?—A. Yes, sir.

Q. Now tell us what further negotiations there were after the first request was made?—A. They asked the continuance of the 8 per cent. after the 1st of January, and we told them we could not accede to it, that we had no authority to do this, and asked them to continue at work until the organization of the company was completed early in January. I also told them there were things which we wished to consider in connection with the basis, and that I had no doubt an amicable arrangement could be arranged with the new company; that I had no authority to speak for them, as I did not know that I should be retained as an official, and I had no right to speak officially, or to do anything officially to bind them after the 1st of January.

Q. About what date was this interview?—A. I think it was about December 20. I also had an interview with them on the 24th.

Q. Who was the leading workingman in this interview?—A. John H. Davis.

Q. Now go on with your statement.—A. I remember they called upon me. My recollection is that that was the last interview I had with the committee on that date, January 24.

Q. Was that the time the paper was handed to you which you put in evidence?—A. I am not sure whether that was not sent to me by mail.

Q. After that did you have any further negotiations with the representatives of your employés?—A. Yes, sir.

Q. When?—A. I think they called to see me as late as December 30. As I remember, we had some considerable correspondence.

Q. What was the substance of it; did they present the request then orally or in writing?—A. They did.

Q. In writing?—A. Yes, sir; I have a copy here.

Q. Presented by whom?—A. Signed by John H. Davis. I think it was sent to me. I do not remember that it was handed to me.

Q. Will you read it?

EXHIBIT 26.

POTTSVILLE, *December* 30, 1887.

E. WHITING,

General Manager P. and R. Co.:

You are hereby notified that the terms of agreement entered into beginning the 1st day of September, 1887, will expire on the 31st day of December. We request a renewal of the terms covering said agreement pending final settlement. If the above terms are not agreed to, then we request notice thereof not later than January 1, 1888.

Answer to be sent to—

JOHN H. DAVIES,
Mount Carmel, Northumberland County.

Q. What response did you make to that?—A. I have here a cop a letter which was sent to him. This is dated the same date:

EXHIBIT 27.

POTTSVILLE, PA., *December 30, 18*

DEAR SIR: Your communication of to-day, relative to renewal of agreement wages after January 1, 1886, has been handed to me and I have referred it to Philadelphia office for instructions. I will probably communicate further with after receiving advice from there.

Very respectfully,

S. B. WHITING,
General Manag
Per C.

Mr. JOHN H. DAVIS,
Mount Carmel, Pa.

Q. What was the next communication that passed?—A. The re to that was the circular which was sent out by Mr. Corbin on the n day. I think the very next afternoon.

Q. Which was put in evidence yesterday?—A. Yes, sir.

Q. What next occurred in correspondence or interviews between and them?—A. I did not hear from them for a considerable time.

Q. Did they go out formally?—A. They remained away from wo But all of them remained away from work on the 2d of January.

Q. What did they do with the tools in the mines, did they le them?—A. Yes, sir.

Q. Who owns the tools used?—A. The men themselves.

Q. They left their tools then in the mines where they could be pic up at any time?—A. I presume that was the case. I presume they pick them up in some cases.

Q. That is the rule there now?—A. I believe that to be so.

Q. So they could begin work at once where they left off?—A. sir.

Q. Do you know how many men stopped work from the middl December to the 5th of January?—A. My impression is—I have not the figures together—that from 5,000 to 8,000 men stopped.

Q. Have some stopped since the 5th of January?—A. From the dle of December up to the 1st of January probably 8,000 had stopp From the 1st of January to the 5th I presume 9,000 or 10,000 more w out. leaving perhaps 1,800 to 2,000 men still at work who are per nently engaged; that is, engineers, firemen, and men of that stamp, ble men.

Q. The miners substantially all went out?—A. Yes, sir.

Q. Can you tell us about the aggregate that had gone out up to 5th of January?—A. I can not, I would have to refer to get that.

Q. But it is substantially as you have stated it?—A. Yes, sir.

Q. Was there any violence of any kind up to the 5th of January wards business or property?—A. Probably nothing but the boycott of individuals by others, that is between man and man. I do not k that there was any injury to property.

Q. I want you to explain what you mean by a boycott "between and man"?—A. For instance, refusing to ride on a wagon in the mi

Q. Who refused to ride and with what person?—A. The men would not join them, the men would not become members of t society. They would not speak to him and would not ride up slope. In the cages where ten men are permitted by law to ride, if of these men came along they would probably refuse to ride. I was the last man to come on, the others would get off. That is a species of ostracism.

Q. Give us every instance of that kind of treatment.—A. I only know it from rumor; of course I have not seen any of these cases.

Q. Perhaps it is not worth while to go into that further. Where did the men go, I mean those who went out?—A. I have no knowledge.

Q. You have been through the mines and about so as to look over the property?—A. I presume they remained at home.

Q. Then your understanding is that they went home and have remained idle?—A. Yes, sir.

Q. Do they own their houses or do they rent them?—A. Some of them do. We have a large number of houses rented to them.

Q. The company has a large number of these houses rented to these people?—A. Three or four thousand, I think.

Q. How are they rented?—A. By the month.

Q. Have the rents been paid?—A. Well, usually; not all of them.

Q. There has been no trouble arising from your rentals, no evictions?—A. No, sir.

Q. And the men remained idle? How do you understand that they were supported?—A. I do not know. I understand by contributions from other districts.

Q. You may state about the cost of these houses rented by the miners from the company. How much do they cost apiece?—A. I have not any exact figures. They will cost say from $600 to $1,100 apiece. They are built generally in blocks of two houses.

Q. Built of wood?—A. Yes, sir; of wood almost entirely.

Q. For how much will one of those costing $600 rent?—A. I can only speak from recollection; my impression is $3 per month.

Q. And those costing $1,100?—A. I think they get paid for most of them as high as—I can not speak with any degree of accuracy in that case, but my impression is $12. Well, say at the outside not to exceed $10.

Q. Has there been up to this date any personal violence of any kind among the strikers or between them and other persons?—A. There has been.

Q. At what points?—A. Notably at Shenandoah City.

Q. Describe the nature of these disturbances.—A. Since the 1st of January, or shortly following, many men desired to go to work, and superintendents were instructed to permit any men who desired to go to work to put them to work. In many places these men were met by bodies of men—were interviwed by committees—to induce them to remain away from work. They were threatened; they were met at night by bodies of men and told if they returned to work they would be shot. Numbers of such instances were reported to me. At Shamokin it was reported several times that men going home after night were met and notified that if they continued to work they would be shot. In many cases notices were sent to me, ordering them to keep away, and calling them "scabs" and using abusive language, and giving them notice that they must stop work or leave the county. In many cases where a few men have been at work—in one case where but few could work in repairing damages from a fire—men and boys have collected and hooted and hallooed at these men on their return home. Women have gathered in large numbers and pelted them with frozen turnips, meat, and bread, and such things. This was because the women were put to the front and the men stood in the background. In some cases men have been followed with drum and fife and banners, with the men shouting and hallooing, 2 and 3 miles away from their work. This has been done peatedly to frighten and annoy and restrain them from work. T have been at least three points at which the men have collected threatened the men in this way—at Otto, Glendower, and Lincoln.

Q. And these efforts were made to stop the workmen ?—A. T were to prevent the men from doing any class of work except tha pumping.

Q. Can you give other cases of interference or violence; have others ?—A. The principal case of that sort, I think, was in the ne borhood of Shenandoah, where large bodies of men congregated stoned and beat men on their way home. This has occurred in m cases, and in that vicinity a great many men have been met and th ened by night, amounting in the Shenandoah case to an open rio two separate occasions.

Q. Have persons been injured there ?—A. Yes, sir.

Q. By whom; that is, by which side ?—A. By the strikers, who gregated in force.

Q. What steps have been taken in this disturbed neighborhoo protect these men ?—A. The police have been requested to escort t in some cases, to their homes and see they were not molested.

Q. To what police do you refer ?—A. To what is known as the and iron and railroad police, and manned by the State.

Q. Are they under the State or county authority ?—A. They are missioned by the governor.

Q. And paid by whom ?—A. They are paid by the railroad and coal and iron company.

Q. What is the organization ?—A. Captains and lieutenants.

Q. The regular organization ?—A. Well, in that way.

Q. How are they armed ?—A. I do not think they always carry a

Q. There has been some recent report of the men being armed Winchester rifles ?—A. I have not seen them, but I believe they them to use in these cases.

Q. These police, to which you refer as the coal and iron police— believe they have been armed to some extent with Winchesters ?- Yes, sir.

Q. And they are armed there now ?—A. I do not know about I could not say what number were armed with Winchesters.

Q. Who were the men making the disturbance in that neighborh as to their nativity ?—A. They were reported to be Hungarians Polanders principally.

Q Were they men who were principally brought into this countr A. Not that I am aware of, sir. I have never known that there has any such carried into the coal regions.

Q. Do you know they were not so brought in ?—A. I could not say were not, but I have no knowledge of any body or number comin gether.

Q. It is your belief that they are men who came of their own wi different periods ?—A. I believe in every case that has been true. came of their own volition.

Q. This is as you understand it ?—A. Yes, sir.

Q. Have you any knowledge or information of any inducements out to these men, or any of them, to come to this country ?—A. No and I do not believe it.

Q. Now, if there has been any other disturbance or violence or i ference which you wish to speak of, in explaining the position of th company, you can state it ?—A. I do not recollect cases of violenc cept these.

Q. Or interference that would not be substantially included in what you have said?—A. There would be interference essentially in ordering men not to work.

Q. Explain that?—A. I understand men have been ordered by the Knights of Labor not to hoist any coal and not to do any work that would produce coal, and even not to do any dead work. By that term "dead work" we mean preparatory work in the mines. That nobody should do anything for the Reading interest or to prepare or mine any coal that was to be shipped over the Reading Railroad. I look upon that as part of the railroad strike, and that these men have taken that course to extend the strike or to support it. Individual collieries in the region that were shipping over the Reading Railroad, who offered to pay the wages asked for by the men, have not been permitted, for five or six weeks. That is interference on the part of labor organizations, not only with our company but other individuals.

Q. Does that cover the interference there?—A. Yes, sir.

Q. Have you copies of any notices, communications, or otherwise, that were sent by the striking men to your company or to your employés?—A. (Handing paper). That is one class of them.

Q. This is one of the notices sent out?—A. Yes, sir.

EXHIBIT 28.

DEAD WORK MUST STOP.

A meeting of the joint committee was held at Pottsville, Pa., on January 6, at which the following resolution, which explains itself, was adopted:

Resolved, That all work shall cease, except engineers, pump men, and those engaged in feeding live stock, except in those places where the company has signed the agreement to pay the wages prevailing prior to January 1, 1888.

This resolution prohibits all work at collieries where the agreement has not been signed for all men. In case the agreement has been signed to pay the basis to men performing dead work, and the agreement does not cover all employés, then, and in that case, dead work shall not be performed. In other words, no work shall be done unless the wages shall be paid to all employés.

JOINT COMMITTEE.

Q. Have you other notices or communications?—A. I have here simply copies.

Q. You do not know whether this was issued by the joint committee or the railroad company or by whom?—A. I do not know anything about it further than that was handed to me as having been circulated.

Q. Through means of the workmen?—A. Yes, sir.

Q. What others have you?—A. I have a copy of a notice given by one of the assemblies of the Knights of Labor.

Q. Where is the original?—A. This is a copy of a letter to one of our superintendents.

Q. Have you seen the original?—A. Yes; I think I saw the original in the Philadelphia office.

Q. Well, you may read that.

EXHIBIT 29.

TOWER CITY, *January 4, 1888*.

MR. MAGUIRE,
Supt. of the P. R. C. & I. Co., Tremont, Pa.:

DEAR SIR: At a regular meeting held on the above date, this local assembly decided not to work until all grievances connected with the Reading system are settled.

This assembly also adopted the following resolution:

Resolved, Not to interfere with dead work, such as driving tunnels, repairs of road, making turn-outs on a gangway that has been driven, but will prevent coal from being mined and prepared for market.

Signed this day and the seal of the assembly attached.

[ASSEMBLY SEAL.]

A. I inferred that all these men agreed to abide by the actio
what is known as the Reading convention, a meeting of the labo
ganizations at Reading to sustain the railroaders in their strike.

Q. When was that held?—A. That was about this date.

Q. About January 4?—A. I think the Reading convention was
to that. Here is another similar notice. I produce these as indicat
that the miners took part in the railroad strike. They state not
about wages in any manner.

EXHIBIT 30.

TREMONT, PA., *January* 1, 1

Meeting of Tremont district K. of L. assembled on above date, and

Resolved, That we, representatives of the different local assemblies within t
risdiction of the above-named district, by instructions received from our con
ents, approve of the action taken by the executive board of the Philadelphi
Reading system, and we further resolve to quit cutting and preparing coal for
ket on January 1, 1888. Dead work to be proceeded with. Dead work to inclu
timbering, driving tunnels, turn-outs, sinking of slopes and shafts; but should
come necessary to load coal in proceeding with said dead work we refuse to
such coal in the breaker.

JACOB RUSSEL, *Sec't'y.*
MARTIN J. KELLY, *Chairm*

Q. Have you any other documents you wish to submit?—A. I d
think I have anything further, sir.

Q. Now, from 18,000 to 20,000 men went out on this strike, from
to last, as I understand it?—A. Yes, sir. The total number of
usually employed when the company is fully working is about 2
men, and I suppose all but 1,500 men went out at one time.

Q. That is, nearly 19,000 went out?—A. I judge so.

Q. How many of these employés were boys?—A. Well, prob
2,000 or 3,000 of them.

Q. About what wages per day did the boys earn?—A. I judge
their average would be in the neighborhood of 85 or 90 cents.

Q. And what price per day did the men earn?—A. The earnin
the men were from $2 to $3 and over, per day.

Q. At what would you place the average per day of the 19,000
earnings?—A. It would be difficult to formulate that.

Q. You should be the best man to do that.—A. Although I
Yankee, I can not. I can give it in this way: our average men at
were 21,000, and our pay-rolls are over $800,000 a month. Of c
it depends upon how many days these men work in a month.

Q. That, of course, does not give quite the data we want. If
will give us the earnings per day of the 21,000 men, as near as yo
compute it, we would like to have you do so.—A. I have here a quar
report which is made from that district, giving in each colliery the
ber of men of each class and the rate at which they are paid o
basis.

Q. How many men does that statement cover?—A. It covers al
employés.

Q. Does it show the daily earnings?—A. It shows the rate at
these men are paid; their rate per week and per month.

Q. We would like to have you put that in.—A. This is the only c
have. I would like to furnish you one, as I got this, from the recor
the office.

Q. Will you kindly furnish a copy so that we can have it?—
will.

Q. What we want is, and I think you can give us that, the aggregate average daily earnings of the 21,000 men and boys when employed.—A. The uncertain element there is, how much time each man would make, in order to get at the earnings.

Mr. CHIPMAN. We want to know what they would have got; that would answer us.

The WITNESS. Well, the work is voluntary with them there.

By Mr. PARKER:

Q. But I want to know the daily earnings of the 21,000 upon a day when they were all employed?—A. You want the average earnings of everybody?

Q. Yes, sir; everybody on your pay-roll; I mean of those 21,000, for a day that they were all employed.—A. A large number of our employés work by contract, and not at a fixed rate.

Q. I fully understand that that would be difficult to approximate, and that it is a matter of computation and estimate somewhat, but I want your knowledge and conclusion as to the daily earnings of these 21,000 people when employed.—A. The miners' earnings have been from $2 to $3.50. Contract miners earn pretty good wages, and they earn as high as $3.50 per day in some cases. But the average earnings of the total number of contract miners in the collieries—I would have to have those figures estimated.

Q. I will ask the question in this way: Suppose the 21,000 men and boys were employed upon the 4th of December—is it ten hours a day you work?—A. We work fifty-eight hours a week instead of sixty. That we consider a full week's work. That is the custom.

Q. Suppose they were all employed on the 4th day of December, full time for that day, what would be the earnings of the 21,000 upon that day?—A. I can give you the figures for that day, I presume.

Q. That is not what I want. I want to know what they earn in a day when they all work?—A. I could not give the figures from anything I have here.

Q. Well, we will ask this to be put in afterwards. Now, as to the idle time after the 1st of September; what was the average idle time per week?—A. There was no idle time so far as we were concerned.

Q. Then if there was no idle time it was worked at the full amount?—A. Except for want of car supply, or storms.

Q. You furnished work for the full time they would do it?—A. Yes, sir.

Q. Have you an estimate of the idle time by the month or year in which they did not work?—A. We have the record of the time actually made.

Q. Does it vary considerably in different years?—A. Yes, sir.

Q. Have there not been periods of enforced idleness on the part of the workmen by the company? A. There have been times of idleness when shipments were not made. For instance, in the winter time we frequently run short of time, because of the light and because of the less demand for coal, and stop off collieries for repairs, and we take the winter time to do a great deal of dead work.

Q. Do you not sometimes manage to induce idle time and check work so as to check the output of coal?—A. If coal is not wanted we do not send it to market.

Q. Are not men sometimes encouraged or induced to become idle, so as to check the output of coal when there is too much in the market?—A. I do not know that I could say that was done in that form.

Q. Are not men thrown out of work sometimes for the purpose checking the production of coal?—A. I have no doubt that has be done in years past.

Q. Have you ever known it to be done in the Reading mines?— When the restriction of production made men idle?

Q. Yes, sir; when the restriction of production by the company ma the men idle.—A. Certainly; when we had a sufficient supply of coal collieries were stopped.

Q. Can you give the different periods when this occurred?—A could not without referring to the records.

Q. Do you remember when the last occurrence of that kind t place?—A. I do not remember it.

Q. Has it occurred this last year?—A. No, sir.

Q. How do you ascertain what the supply is and that there is an cess and that it is advisable to stop the collieries?—A. At one ti there was an arrangement, or I might say an understanding, by wh certain percentages of production were to be shipped by the produc companies; when that percentage of production was made no more shipped.

Q. Who were those producing companies?—A. I can only give information in a general way. I think I can give you printed in mation.

Q. Well, give us the names of the companies now. What compan were they?—A. I should have to refer to documents to give you th

Q. Was the Lehigh Railroad mining at that time?—A. There is a high Valley Coal Company.

Q. Was that mining at that time?—A. I believe so.

Q. Was this company one of those companies?—A. I do not rem ber that they were in that. That information would be of much m service to you from the coal reports.

Q. Was the Schuylkill Company one of those companies; I m your Coal and Iron Company?—A. It was a producing company at t time.

Q. Was it in that arrangement?—A. Yes, sir.

Q. When was that?—A. About 1883 or 1884; somewhere ab there.

Q. Who was president of your company at that time?—A. I thi Mr. Franklin B. Gowen.

Q. Who was the executive officer at the mines?—A. I was at mines.

Q. What was your percentage of production at that time?—A. A understand that arrangement, the capacities were taken of the vari producing companies, and it was understood that only a certain amo of coal was wanted in a month.

Q. Was it arrived at by percentage or a division?—A. By perce ages.

Q. What was your estimated percentage?—A. About 20 per cen

Q. What was the Lehigh percentage?—A. I do not know, sir.

Q. The Lackawanna?—A. I do not know. I can not give these m ters.

Q. Can you tell the percentage of any other coal producer other t your own company?—A. Not from memory.

Q. In what document is this statement of the division between companies of the amount they should produce?—A. I have seen i newspaper statements. I do not know that I have ever seen it in other form.

Q. You say you can produce it?—A. I think I can.

Q. Is it not in some printed document?—A. I do not remember of it.

Q. From what will you produce it?—A. I will look for such a printed statement.

Q. Is there not some book or document from which you expect to get it?—A. I think the Coal and Engineers Mining Journal, of New York, states it.

Q. You will produce it for us?—A. I will do so.

By Mr. ANDERSON:

Q. A moment since you said, substantially, that the collieries were worked or closed according to the demand for coal in the market, and that at the time to which you referred you ascertained what the demand of the market was by these percentages to which you referred. How do you now ascertain the state of the market; in other words, when you shall work the collieries or close them?—A. We would feel the want of coal by its accumulating in the cars and the cars not being returned to be filled.

Q. Do I understand you to say that you, as superintendent of that coal company, regulate the operation of that immense property simply by the fact that there are empty coal-cars sent to you to be filled by the railroad company?—A. That is the method of computation now.

Q. Do I understand that to be the method by which you ascertain whether the market will take the coal or not?—A. None other comes to me. I say I should look upon that to know whether the market would or not take the coal.

Q. And as superintendent of that company you have no other means of information as to whether in the coming month you shall expend a half a million of dollars in operating that property except the fact that you may notice that there are empty coal-cars under your breakers?—A. There is no other definite way. I might inquire as to what the sales and prices were or what the demand would be.

Q. What method of information had you at that time, to which you have already referred, when the output was regulated by percentages; how was that information communicated to you?—A. In the newspapers.

Q. In no other way?—A. I do not remember its being communicated in any other way.

Q. It was not communicated through any official higher than yourself?—A. I think there probably was; it may have been in circular form.

Q. From whom was that, in the event it did come?—A. My information generally came from the statements in the coal journals.

Q. From no other source?—A. I do not remember; I may have had other sources of information, but it is a good while since.

Q. Mr. Corbin stated yesterday that the Coal and Iron Company was owned and operated by the Reading Railroad Company, and Mr. Corbin is president of the Reading Railroad Company. Does he in any way indicate to you the amount of money which you shall expend in a given period in operating the mines?—A. He never has done so?

Q. May you expend ten millions this year if you see fit?—A. I would not know where to get it.

Q. I am not asking that question, Mr. Whiting. My question was, whether you may expend ten millions this year if you wish to?—A. No, sir.

Q. How do you obtain money?—A. The money which is expend
our district is principally for wages and repairs and supplies.

Q. From whom do you obtain that?—A. Our pay-rolls are sent t
paymaster's department.

Q. Of the Reading Railroad Company?—A. No, sir.

Q. Of the Coal and Iron Company?—A. Yes, sir.

Q. Very well; where does the paymaster obtain the money to
these rolls?—A. From the treasurer of the Coal Company.

Q. Where does the Coal Company obtain its money from?—A
the sales of coal.

Q. Is there any supervision of the Coal Company by Mr. Corbi
any other official of the railroad company?—A. Mr. McLeod is ge
manager of the Reading Railroad Company and also of the Rea
Coal and Iron Company.

Q. Then, how would you know the amount of money you woul
pend in a given month if you might run all your collieries at full for
A. The amount I would expend would be the result of running a
force in the wages and supplies.

Q. Suppose there was no strike now, how many of these 45 colli
would be operated? How many more collieries would the land o
by your company furnish which could be worked profitably. Th
course is an approximate answer. Would it not be several hundre
A. Yes, sir; I presume so; they could for a certain time be work
course.

Q. Do you yourself, without any consultation with any one els
termine, simply upon the prices or sales of coal, the expenditures
will make in operating the collieries for a given month?—A. I d
determine it at all. I do not predetermine it; it is the result of
ever we do in wages and supplies. I do not determine it previousl
will be very glad to give any information I have, but I must cert
be careful and know what I am answering.

By Mr. PARKER:

Q. We have no right to complain of you at all, as you have ans
us fairly. Now, tell us the monthly earnings of these 19,000 men
went out?—A. That is, the aggregate payments we would ma
them?

Q. Yes, sir.—A. That would be from $750,000 to $800,000 a m
when they worked.

Q. Then the workmen, by this strike, have lost proportionately
amount?—A. Our payments for fixed charges, that is to men wh
our stock and to men who keep the water out, etc., probably
reach in the best organized collieries $75,000 to $80,000 a month.

Q. Leaving $350,000 to $400,000 of lost wages?—A. More than
sir.

Q. At how much would you put it?—A. I would put it at $600,
month: the other figures were $750,000 to $800,000.

Q. That was my mistake, I thought it was $500,000. Then that
be the amount of absolutely lost wages?—A. Yes, sir.

Q. How do you understand the men have been supported sin
strike commenced?—A. I have no knowledge of their being supp
but I have understood that money has been sent into the region
other sources.

Q. Had most of the men families?—A. I believe so, sir.

Q. What was the average number to a family, five persons?—
do not think it would exceed that.

Q. How many people by the strike do you estimate have their means of support cut off?—A. I should say 100,000 in our own district. I am not speaking of any other district.

Q. You are speaking of your own district and the men connected with your coal and iron company?—A. And with individual operators in our system; yes, sir.

Q. As an effect of this stoppage the mining company has been relieved of the payment of this amount of wages?—A. Certainly.

Q. Will you give me an estimate of the amount of wages saved the company by the railroad strike?—A. I could not do that. You mean in our case?

Q. No, sir; I mean on the railroad.—A. I have no information concerning that.

Q. What was the amount of wages per month paid the company in the Lehigh system by the Lehigh strike?—A. I have no knowledge what that would be.

Q. Well, as near as you can estimate, you knowing the basis of wages and the number of men?—A. My impression was there were about 8,000 men, and the wages there would be probably in the same proportion as ours were; that is, I suppose that that would have averaged possibly $300,000 a month. It is a mere approximation, of course.

Q. Of course the producers there were relieved from that expenditure?—A. Yes, sir; but they, of course, had to maintain their organization, and keep the collieries in repair and keep the water pumped out.

Q. I suppose there are certain necessary expenses that go to the protection of the mines?—A. Yes, sir; and they are very heavy.

Q. Have you known anything of the increase in the price of coal to the middle man and consumer since the Lehigh strike and since your strike?—A. I have no knowledge of it except in the manner which everybody has, that is, through the newspapers. I have no occasion to use the figures.

Q. You have a knowledge that there has been an increase in the prices since the Lehigh strike began?—A. Certainly.

Q. To about what extent; at about what was coal selling before the Lehigh strike?—A. I could not give you that at all; I do not remember it. I have no occasion to use these figures in any way.

Q. Can you tell us about the number of cents per ton it has increased from the Lehigh strike up to this day?—A. Well, of my own judgment, it is about 50 cents a ton at our end.

Q. That is at the mines?—A. Yes, sir.

Q. So it has been sold and delivered for some time past at about 50 cents a ton more than it did in September last?—A. I have no knowledge of that, but I suppose so.

Q. Now, the royalty on coal is understood to be about 25 cents per ton?—A. No, sir.

Q. What is it?—A. Nearly double that. I presume it averages now 33 to 35 cents per ton. The Girard estate get this year 13 cents for the largest sizes and 16 cents for the two smaller sizes, so the average royalty would be 35 to 38 cents, depending upon the production of these two sizes. I have no knowledge of any lease of land on which the charge is below 30 cents.

Q. Then the average, you say, would be about 35 cents?—A. I should say 33 to 35 cents is the average. Some exceed that, but they are leases made a great many years ago.

Q. Now, coal is put down at Schuylkill Haven at what price?—A. You mean at what cost?

Q. Yes, sir; at what cost.—A. The cost to the Coal and Iron Comp of the coal put into the cars at the breakers is probably $1.50 a ton

Q. Does that include the miners' fees and workmen in the breakers A. Yes, sir; that means the production of the coal and putting it the cars.

Q. And it is how much?—A. $1.50 a ton.

Q. Is that inclusive of royalty?—A. No, sir. In the cost of m expended for wages, supplies, repairs, and contingent expenses at collieries; it includes any item whatever of the colliery expenses.

Q. It includes the cost of mining?—A. Yes, sir.

Q. And the cost of handling at the breakers?—A. Yes, sir; and cost of preparation in the breaker and loading in the cars; it incl also repairs that may be done.

Q. To keep the property up?—A. Yes, sir.

Q. Now, are there sales made of coal at Schuylkill Haven?—A. not know there are now.

Q. Have there been in the last few months several points where make sales to be delivered, sales based upon that point?—A. I bel there are, but I do not know. Mr. Richards can give you that info tion.

Q. Where does the railroad company's charge for tolls begin, at w point?—A. I think now at the breakers. I think their freight cha are from the breakers.

Q. Well, the cost at the breakers, then, is $1.50 a ton?—A. Yes

Q. What is the price at Port Richmond?—A. I do not know w the present tolls are; I have not that information.

Q. The price of coal at Port Richmond would cover the royalty, cost of putting it upon the cars, the tolls to the Reading Railroa Port Richmond, and the profits made?—A. I should certainly sup it would cover as much as that.

Q. Anything more?—A. I do not think so.

Mr. ANDERSON. Does the cost of $1.50 include royalty?

The WITNESS. No, sir; it does not.

Mr. PARKER. Give us the best information you can as to the p of coal at Port Richmond for some little time past, say for two or t months past.

The WITNESS. I have no means of knowing what it was there.

Q. Well, any other point..—A. I know what returns have been m for instance under the basis in order to determine the wages. Cer collieries were drawn, and they make the price.

Q. Yes; but we would like to get outside of that and know what coal, which cost $1.50 to put out of the mines on the cars, brought w it touched some point where the coal is sold.—A. I have not tha formation. Mr. Richards can give you that, I think. Although chairman calls me the president I am simply superintendent at mines, and have no jurisdiction.

The CHAIRMAN. I used the wrong title.

By Mr. PARKER:

Q. That would be very valuable in asking about that departme the subject. You can give us no information, then, upon the subje prices anywhere?—A. No, sir.

Q. You do not know that there has been any dearth of coal in country arising from these strikes?—A. There has been scarcity in l tions, of course.

Q. In some locations and not in others?—A. Yes, sir.

Q. How could that be?—A. The coal has been scarce in our own town, Pottsville, for instance, for there is none being produced there.

Q. Where else has it been scarce?—A. In such local places not readily reached from other regions.

Q. In any others?—A. I presume there must have been a scarcity in the Lehigh region from the same cause.

Q. You are simply speaking of localities about the mines which were not supplied?—A. And not readily reached from other regions.

Q. Do you know there has been any general scarcity of coal throughout the country on account of these strikes?—A. There was certainly at the furnaces, for many had stopped. They wanted to consume the coal.

Q. How many within your knowledge?—A. I have only seen three. I have heard a larger number spoken of, but there are three down at Pottsville that have stopped.

Q. Have there been any other localities in which there has been a scarcity in the supply of coal?—A. I suppose some furnaces in the Lehigh Valley have stopped; I mean outside the neighborhood of the mines.

Q. Those along the line of the railroad?—A. I have no means of knowing.

Q. Well, say outside of Pennsylvania, have you any information that there has been a general scarcity of coal?—A. No, sir.

Q. So far as you have any knowledge there was coal enough mined independent of these strikes to supply the general demand of the country?—A. I believe there was, sir.

Q. Then I wish to ask this question: Should the Schuylkill strike end to-morrow, will you swear that the Reading Railroad Company *per se*, or as owner of the stock of the coal and iron company, has lost any money?—A. To the best of my knowledge and belief they certainly have lost money.

Q. How?—A. By the non-production and sale of the coal and any profit that might have accrued from it, and the railroad company has lost all the tolls.

Q. And coal is now about 50 cents a ton higher than it was when the strike began?—A. It may be more than that in the cities. I have no knowledge of that.

Q. There was a large stock already mined, which, with the small amount mined since, has supplied the country?—A. There is the question, was there a large stock.

Q. Was not that stock supplying the country during this period?—A. The increased production in the Wyoming region, as I understand from the newspaper statistics, has been probably doubled during this suspension. Men have gone into that region from the Lehigh and our own region to work, and the production from that region has been, by some statements, doubled during this time. That is, double the production of this time in the year. The ability to store or hold coal in quantities enough to supply the country for a month, or anything like that, will be almost impossible. There are not places to do it anywhere that I know of.

Q. I wanted your full explanation of that, for I find two views of the question, and I have been seeking the information so as to get at the facts.—A. We have no storage, except that which would accumulate at Port Richmond.

Q. The coal is stored all over the United States?—A. Yes, in yards.

A coal dealer might fill up a yard, or one side of it, with coal to
There may be such accumulations as that.

Q. Was it not by the natural course of business that the yards thro
out the country were filled up about the time the strikes commen
but now they are substantially empty ?—A. Probably, but of late y
as the coal has been produced it has been consumed. There are
few yards that could hold their coal for any length of time beforeh
They prefer getting it in the course of time along to supply their
tomers.

Q. Do not the coal middle men all over the country make up t
stocks and fill their yards from April to October, as a rule, storin
a good deal of the mined coal all over the country ?—A. I think
do a great deal less of that than in years past.

Q. Do they not do a great deal of it now; is it not the custom ?-
I presume that would be so. Especially with those who depend
water transportation.

Q. Do they not sell a great deal in July, August, and Septembe
be delivered then and to be delivered afterwards, at the current p
then all over the country, and there has to be the stock to meet it?-
The months of the greatest production are later than those.

Q. Are not sales made throughout the country in these months ?-
I have never made any and I do not know anything about any of t
Now, the production is greatest during September, October, and No
ber.

Q. Take the Coal and Iron Company by themselves, will you s
that they lost any money by this strike, taking into view its prosp
of business, if business starts up now ?—A. I certainly would swe
the best of my knowledge and belief that they have lost a great de
money.

By Mr. ANDERSON:

Q. Is it your belief that at the end of two years from date the
company will not be found to have lost money by this strike ?—A
respective of any other conditions that may exist hereafter ?

Q. Simply that question.—A. If they lose it now, it will be lost.
mean whether they will make enough money in two years to mal
up ?

Q. No, that is not my question; whether in two years hence, yc
an expert will understand that this strike did in the long run lose
thing to the railroad company ?—A. That is, because of that strike
may make more money in the two years than they would other
have made.

Q. Yes.—A. This is a very unknown quantity and I can not g
at anything of that sort.

Q. From what you have known in the past of the Reading Coal
pany's affairs, have you any suspicions even that the Reading ou
may be greatly influenced by the fact that the other regions are
supplying coal while the Reading is not, in the coming year ?—A. I
sume in the coming year the Reading will be deprived of shipm
because their customers have gone to other sources. I presume
many men who have gone into the Wyoming region will remain t
That will result in less shipments by the Coal and Iron Company.

Q. Can the Coal and Iron Company find a market for its coal in
York and elsewhere ?—A. That is its present point.

Q. Is it dependent upon the customers who bought from it last
for whatever sales it makes the next year ?—A. No; but like any

regular business we would be out of the market somewhat, which is certainly due the strike.

By Mr. PARKER:

Q. How many collieries have resumed work?—A. There are some 11 or 12 at work.

Q. Have you employed all the men coming to you?—A. Yes, sir; the orders have been to give every man an opportunity to work who is willing to work, even if we employ them at a disadvantage to us.

Q. Have you done that?—A. Yes; I know nothing to the contrary.

Q. Both old and new men?—A. Yes, sir.

Q. None have been turned away?—A. Men have been discharged who refused to obey orders.

Q. I am referring to Mr. Corbin's belief that some men have been turned away because the collieries were not ready for them.—A. There would be such an occurrence as this. There may be more men applying to one point where there are men at work than there would be applying to other collieries in the neighborhood.

Q. Do you know personally now of this?—A. I have had reports from our Suffolk colliery, where more applied for outside work than required, but they were men belonging to other collieries.

Q. Then that was the occasion for their being refused?—A. It was not a refusal; there was no place for them. There was an inability to employ them at that particular colliery. They never worked at our collieries. They could have worked at other collieries.

Q. We understand that the miners make some complaint because they are required to pay through the officers of the company, or advance their pay, to tax-collectors and the doctor, and sometimes the priest, and some other collections?—A. No such collections are made by this company. This company has no stores, has no charges to make, and makes no charges against its workmen except for articles furnished by the company.

Q. Are not coal supplies which they use in the mines and charges for a benevolent fund collected?—A. Our company does not make any of these collections.

Q. And it does not act?—A. We make no collections for any one.

Q. Will you state as to your not having stores and where the men make their purchases of their own personal supplies?—A. Do you mean by that, mining supplies?

Q. Say family supplies?—A. I have no knowledge of that. We have no connections with any stores in the region at all.

Q. Well, there are stores there?—A. Oh, yes, sir.

Q. Are they kept by men who have any relation to the railroad or mining company?—A. No, sir.

Q. So they are entirely independent?—A. Entirely.

Q. Are the bosses or other men of influence around interested in the trading at the stores and groceries and other places for family supplies?—A. A boss might have a brother who keeps a store, though he might live in a distant part of our system, and in no way under their control or have anything to do with them.

Q. Now as to the mining supplies?—A. The mining expenses of powder and fuse, these things are furnished to the mining contractors and charged to them.

Q. At what rates?—A. At exactly the price which was adopted some years ago and upon which all contracts are based.

Q. Is there any complaint in regard to the prices on the part of the miners of which you know?—A. They have said to me that they could buy certain supplies for less than we were charging them. I have told them in these cases that we would have no hesitation in making changes in these prices if a corresponding change was made in the contract prices, their contract prices being based upon charging these prices for supplies.

Q. Are they, in your judgment, just under the circumstances?—A. They are, under the circumstances; yes, sir.

By Mr. ANDERSON:

Q. Do you, as superintendent of the company, know what the prices are at which powder is sold per keg to the men?—A. I think our powder for what is known as "A powder" is $2.65. That is my recollection; it has been so for a number of years.

Q. Now do you know what is the cost of that powder, that is to the company?—A. It is $2 and the cost of handling, freights, etc., which we pay.

Q. Is that purchased under your direction?—A. Yes, sir.

Q. Not by the railroad company?—No, sir; let me explain in regard to that. For instance, a miner is driving a gangway and he gets $10 a yard for it, and a certain proportion of that is allowed him for the supplies he would consume in driving that gangway. For instance, if we charged him more for powder per keg we simply would add it to the work it would do. It is not a matter of profit and loss at all, but simply that they may be economical in the use of these things. If, in the case of a gangway, he is paid $10 a yard, $8 of that will be his wages and the other $2 the supplies he consumed in driving that.

Q. May a miner employed in your collieries purchase that powder where he pleases?—A. It would not be safe. We must control absolutely the handling of all explosives. It would not be safe to have them about the mines handled in any way except under our control both as to quality and quantity taken into the mining.

Q. Where is the powder stored above ground?—A. In points known as powder-houses.

Q. How issued from there; in what quantity?—A. In a keg of 2 pounds.

Q. Is the miner himself permitted to take it down?—A. Yes, sir.

Q. He is responsible for the safety below?—A. Yes, sir; under certain restrictions. The mining law requires certain restrictions.

Q. Suppose some merchant there had an equally safe vault for storing the powder, would a miner be permitted to obtain a keg of powder from him?—A. We object to that, as we can not tell what the quality may be

Q. The point I wished to reach was, that the company, no matter what the reasons may be, requires him to purchase that powder from the company?—A. Yes, sir.

Q. Thank you; that is what I wanted to get at.—A. We would not object to making these prices anything different. When that price was established that was just what we paid for the powder.

Q. But the cost of powder is not the same now?—A. I say it costs just that much at that time.

Q. Do you charge them any more than the actual cost of the powder to-day?—A. We do now.

Q. So you make a profit on the powder?—A. No; we are not making a profit on the powder at all. We pay for it; it is one of our costs. We lay it in. For instance, we allow them a certain quantity in money providing for the gangway, for which he would get $10 a yard; $8 of that ld represent his labor, the wage element, and the other $2 would be allowance for supplies, powder, fuse, and paper for making the car- ges. We do not want him to waste that. He can have $2 worth upplies to drive that yard of gangway. If he uses less, it is for his efit. All that is based upon contracts of two years ago. If we nge these prices we should also change the contract, because, other- e, it is that much added to his wages.

Q. Suppose that the cost of the materials to you would increase above would you charge him more than you do now?—A. We could not rge unless we allowed it. There is no profit in it one way or another.

Q. But still there is no competitor in this to whom he can go for the rchase of these materials?—A. For powder, no, sir.

By Mr. CHIPMAN:

Q. I understood you to say that no tenants have been evicted from r mines. Are you sure of that?—A. I have no knowledge of it, sir.

Q. What kind of leases have you with your tenants? Have you this d of a lease, to put it directly, waiving all notice to quit and all al proceedings in case you wish to take possession of the property?— I have never seen one of the house leases.

Q. By whom are they made?—A. By the land agent; I do not know ything about them.

Q. If you do not know anything about it, I do not want to ask you. w, you say some of the miners are married; now, have you any idea at is the proportion?—A. No, sir.

Q. But considerable numbers are?—A. Yes, sir.

Q. And a good many of them keep house?—A. Yes, sir.

Q. That agreement you allude to as of September 17 was as to the ges?—A. Yes, sir.

Q. Was the coal company in the hands of the receivers at the date of t agreement?—A. Yes, sir.

Q. You formulated that agreement yourself, with the assistance of nsel?—A. Yes, sir.

Q. That was Mr. Ellis, I think you said?—A. Yes, sir. Our counsel s Mr. Ellis.

Q. Who was he acting for in this?—A. I called him in to act for me.

Q. Individually?—A. As superintendent of the Coal and Iron Com- ny.

Q. Was he counsel of the receivers and also your counsel?—A. He ed in the capacity of an officer at the time.

Q. That is what I want to get at. The laboring men, as I understood u, desired to continue the agreement of September 17 after January —A. Yes, sir.

Q. You responded to that that you had no authority?—A. Yes, sir.

Q. Because the railroad was in the hands of the receivers?—A. Yes, .

Q. The price per diem for wages was fixed, was it not?—A. Not at at time.

Q. By that agreement of September 17?—A. The action of that agree- ent would be to change the former rates.

Q. But was there, or is there, not a basis system of rates per diem for ges fixed?—A. Yes, sir.

Q. That rate per diem is about fair wages for the men?—A. That rate r miners is $2 a day and on other classes other rates.

Q. Still, it is a fixed sum?—A. Yes, sir.

Q. This is made the basis system, and that sum is raised or lowered according to the advance or decline of 3 cents per ton in the price o coal?—A. Yes, sir.

Q. Now, sir, you say you desired the miners to continue at work afte the 1st of January on the old basis; what was that old basis?—A. Th basis existing prior to September 1.

Q. That is, prior to September 17?—A. Yes, sir.

Q. You had no authority at that time to make an agreement upo that basis, the road being in the hands of the receivers?—A. I did'n make any.

Q. How could you make any agreement upon any basis, situated you were?—A. No, I had no authority.

Q. How many men in the coal regions live in their own houses?— I have not the slightest idea of it.

Q. Is there not a considerable number of them?—A. I do not thi there is a considerable number; I think the proportion is small.

Q. Houses are cheap there?—A. I believe them to be.

Q. The land and the services are cheap, are they not?—A. Whe there is no valuable coal under it.

Q. But ordinarily the land would be cheap and so would the ser ices?—A. Yes, sir.

Q. How many men do you think among your employés were born in the district; have you any idea of that?—A. I have not.

Q. How many have lived there a considerable time?—A. I should presume that nine-tenths of those who are recognized as miners were brought up there and have lived in the region.

Q. I do not think at all so. Is there any land around these houses?—A. Yes, sir.

Q. How much?—A. That varies with the location; generally a garden patch.

Q. Then they are greater and smaller according to the location?—A. Yes, sir.

Q. Is there no average?—A. I do not remember the sizes in the towns where we own the houses and lots, but of course they are small, except those mainly about the mines, where there is plenty of room.

Q. Has the land any agricultural value?—A. Very little, without a great deal is expended on it.

Q. You were speaking about the police in the country; have you had the Pinkerton detectives in your employ?—A. I do not know.

Q. You know the organization referred to and that they have been employed to assist in quelling strikes in the country; you do not know whether you had them?—A. I had no knowledge they were there except through rumor.

Q. You heard they were there?—A. I heard they were there; I suppose they are there.

Q. You wanted the men to go to work on the 1st of January. You informed them that you had no authority to make any agreement with them. On what agreement and on what basis were they to go to work on the 1st of January if no one could make a bargain with them?—A. On the same basis for the last twelve years.

Q. But you say you had no authority either to make that?—A. I did not ask them to do anything different from that.

Q. You said you had no authority to make any agreement. How were they to know on what basis they were to go to work?—A. We were assuming that, as this basis had been in force for twelve years, and this agreement was a special arrangement for a special purpose, it was to end on the 1st of January, and that they were to return at that me to the former basis. That was the distinct understanding with the en when that was made.

Q. The sum and substance of it was this: That you, without any au-ority, representing a person who had no authority, desired those men go to work on the 1st of January without any agreement as to the ture. Now that is all that there was in it.—A. It might be put tech-eally in that shape.

Q. I am putting it very plainly; our ideas of technicality are differ-it. This is really the meat of the entire thing.—A. I certainly could ot have acted for the companies until the companies were reorgan-ed.

Q. Do you not think I have stated it fairly?—A. Hardly.

Q. Why?—A. The supposition was, the company would accede and ould go on as it had previously and it would pay as it had previously.

Q. Why?—A. Because it had done so before.

Q. If the company had paid everything it owed before, how did it et into the hands of the receivers?—A. I do not know that has any-ing to do with the question of wages.

Q. I do not know, either, sir. It is a pretty apt question, though; mebody must have lost somewhere. Will you tell me why you have opped the output?—A. I do not know that I ever stopped it.

Q. Well, why did your company stop it?—A. I argue that any restric-on which has been made, has been made for want of demand for coal.

Q. You think that is the only basis upon which a restriction has ever en made?—A. Yes, sir.

Q. Would not an increased output be apt to create an increased de-and?—A. I doubt it.

Q. Is not there a demand for anthracite which is very great, and grow-g more every year in this country and others?—A. The demand for great number of years past has not been sufficient to pay for the cost getting it out and sending it to the market.

Q. I asked you another question. I am coming to that directly.—Certainly, there has been an increased demand for coal.

Q. Is not the demand very great now?—A. I presume that it is.

Q. Is it not especially all through that great and growing western untry?—A. Yes, sir.

Q. Clear back out where my friend, Mr. Anderson, lives, and beyond at; and is not there a tremendous consumption of it in base-burners the houses?—A. I believe it to be.

Q. You spoke of an allotment; how was that allotment made?—A. really do not know the history of it.

Q. When was it made?—A. About the years 1883 or 1884, along ere, there was some arrangement known as an allotment.

Q. That is recently, then, within a short time—1883 and 1884?—A. es, sir.

Q. By whom was it made?—A. I do not know that.

Q. What was it made for?—A. I understand to prevent overpro-action.

Q I will follow that up by asking you if it was not to keep up ices?—A. It did not succeed, if it was.

Q. Was it not for that purpose?—A. I did not make it.

Q. You say it was to prevent overproduction. Did it not attempt keep up prices?—A. I would assume that, certainly.

Q. Do you say no such arrangement exists now?—A. Not to my nowledge.

Q. Do you say that no such arrangement does exist now?—A. I can not say it does not, but I say I have no knowledge of it. To the best of my knowledge and belief there is no such arrangement.

Q. You do not know whether it exists or not?—A. I do not know that it does not, but I do not believe that it does in any way, shape, or form.

Q. Will you tell me, Mr. Whiting, at how much you value the mining lands belonging to your company; do you know?—A. I do not, sir.

Q. Have you any idea on the subject?—A. My impression is that they are considered to be worth some $40,000,000.

Q. How much of the coal part of those mining lands do you work; about what proportion?—A. I could hardly give you an estimate of that. It is certainly a very small proportion of the whole.

Q. Are you trying to make interest on the whole of that, on $40,000,000, out of these coal lands which are not worked, as well as those that are?—A. I do not know that such interest is to be paid.

Q. Are you trying to make a profit or interest on that first investment of $40,000,000 by working what you state is a small proportion of it?—A. We certainly are not doing that or aiming to do it.

Q. Do you, in calculating profits, take into account what you estimate to be the full value of that property?—A. I do not know anything about that. I never had anything to do with that, and I never made any such calculation, and I have never known it to be made.

Q. Would you have known it if it had been the practice of the company to do anything of that sort?—A. No, sir.

Q. Do you think you would not have known it?—A. No, sir.

Q. Does it not come within your department at all?—A. No, sir.

Q. In whose department would it come?—A. I would not know that, even.

Q. You do not even know that?—A. No, sir. It certainly would not be in my department.

Q. Who would be apt to know it?—A. Our president.

Q. You think your president would know that?—A. Yes, sir.

Q. Will you tell me if you know anything about those who are embraced in the allotment of which you have been speaking?—A. You mean what companies?

Q. Yes, sir.—A. I can not recollect them all now, but I have a memorandum here.

Q. Give it as near as you can and as many as you can?—A. These collieries I understand to have had these divisions and subdivisions for allotment: The shippers on the Philadelphia and Reading system, the shippers on the Lehigh Valley system, the shippers on the Delaware, Lackawanna and Western system, the shippers on the Delaware and Hudson system, the shippers on the Pennsylvania system, the shippers on the Pennsylvania Coal Company, and the shippers on the Erie system.

Q. Then this system of allotment primarily embraced the operators in the different systems?—A. Yes, sir.

Q. And secondarily, of course, the operators within each system. In other words, if you do not understand that, a certain amount of output would be allotted to your system and a certain amount to the Lehigh, etc., then you would go home and divide up the amount of your allotment among the operators of your system. That would be the way it was done?—A. Yes, sir.

Q. Have you any idea of the value of the collieries you actually oper-

?—A. I have not. I have not a memorandum of that, unless it is in report.

. You speak of the value of the colliery equipments. I suppose it ms the equipments. I mean as mines, would you include the equip- its, breakers, and machinery?—A. They are estimated to be worth the mines $8,280,583, that is, they were last year, and the equip- its were estimated to be worth $2,156,940.

. Who made that estimate?—A. These are in the statement of the ts of the company.

. By whom?—A. They are revised in my department year by year re any changes take place. They do not originate every year. We at them by weighing and measuring and taking an inventory of the ipments; for instance, the amount of material on hand, supplies, etc.

. Is that report made for the benefit of the stockholders?—A. Yes,

. This is the report to go to the stockholders. Do you know whether estimates are too high or too low, or about right; have you any wledge on that subject?—A. So far as I have anything to do with ey are substantially the right market value at the time they are e.

. Can you give all the percentages of each system under this allot- t system of any period?—A. I presume I can ascertain that; it was lished in the coal journals at that time.

. Can you give the percentage, say for a period of four years?—A. sume I can find the records for that time.

. Will you try to do so?—A. Yes, sir; I will try to do so.

r. ANDERSON. Instead of four years, let Mr. Whiting furnish data all the years.

By Mr. CHIPMAN:

. Will you take a memorandum of that, Mr. Whiting? I under- d Mr. Corbin to state that your profit is 30 cents a ton on your at the mines.—A. I think Mr. Corbin stated that last year the net it of the business was 23 cents per ton above the cost, absolutely out any allowance for anything else. That is, without any allow- for royalty or interest charges, but for labor and supplies.

. Now, of course you are not at work all the time; there are days e or less when you can not work?—A. Yes, sir.

. And you keep turning your money as other businesses do from to time, do you not?—A. Yes, sir.

. Do you pay royalty?—A. We have to pay royalty on collieries we e from others.

. Why do you do that when you have so much land of your own not ed?—A. Because of this, there were valuable deposits of coal and eries already opened for operation on it.

. What proportion of your collieries were leased?—A. I think there eleven leased.

. Eleven out of forty-five?—A. I think that is the number.

. How much did you say your coal cost you to get it out?—A. About 0 a ton.

. What is it selling for at the mines?—A. I do not remember now t the rates are.

. Have you not any idea?—A. I do not know at what it is selling, my impression is that the present rate at the mines is about $3 for larger sizes, down to $1.25 for the smaller.

Q. About what was the average?—A. I suppose it would average possibly $2.75 to $2.80.

Q. Ready to put on the cars for shipment?—A. Yes; on the cars, loaded into the cars. Mr. Richards can give you that information, because he has it all; I only guess at it.

Q. Will you tell me what proportion of your work is done by contract?—A. The inside work of mining is probably 50 per cent.; the outside work very little of it.

Q. Well, 50 per cent. of the inside work is done by contract and the contractor pays his own hands?—A. We pay them and charge it against the contract.

Q. Does he make any bargain with the hands?—A. Well, he selects them, but they are paid at the same rates.

Q. They are also paid at the rate fixed for the whole business?—A. Yes, sir.

Q. And about 50 per cent. are men employed directly by you?—A. I believe that is about the ratio.

Q. The men outside are employed directly by you?—A. Yes, sir.

Q. About what proportiom of them are so employed?—A. All of them.

Q. About how many outside men do you employ?—A. I think about one-third of the whole number. I may be mistaken about that.

Q. The whole of the twenty-one thousand?—A. I may have that proportion wrong, I do not remember it. The proportion I find was about one-third outside and two-thirds inside of the total number.

Q. Then, out of the total number, one-third are employed directly by you on the outside, and half the remainder are employed indirectly by you, and the remainder by what you call contract?—A. Yes, sir.

Q. Are you opposed to labor organizations?—A. Not as an organization, certainly not.

Q. What do mean by that, Mr. Whiting?—A. I mean that I see no objection to their being organized or combined.

Q. What for?—A. For their mutual protection and benefit.

Q. How?—A. In a benevolent way, sickness or a maintenance of wages.

Q. You do not object to their organizing for the maintenance of wages?—A. They have a perfect right to do that.

Q. I agree with you entirely. When you get to that position we agree as to that; I am much obliged to you. I know of no other question I wish to ask now. I think there is one more: Do you know whether the mining police was a general organization under Captain Linden, of the Pinkerton force?—A. I do not know; I think that had something to do with it years ago.

Q. When did you first come to that region?—A. I went to that region in 1866. I was not in connection with the coal and iron company until 1877.

By Mr. ANDERSON:

Q. How long did you say you had been in the Schuylkill region?—A. Since 1866.

Q. And during that period you have had an intimate knowledge or practical knowledge of mining affairs?—A. Of mining machinery in the first place. I built a great deal of machinery and I was in the mines putting it up.

Q. In what year was the Reading Railroad Company incorporated?—A. I do not remember, but I think it was about 1830.

Q. At what time did you become connected with the Reading Coal and Iron Company?—A. In 1877.

Q. At that time, 1877, about what number of persons engaged in mining or dependent upon miners—I mean their families—lived in the territory now owned by the Reading Coal and Iron Company?—A. I have very little idea what the number was. The number is greater now than it was then, because a great many collieries have been opened since that time, but at that time there were more individual operators than there are now.

Q. So far as your knowledge extends has the percentage of native-born and foreign-born miners in that region changed since 1877?—A. I think it may have been so. I think there may have been more Hungarians and Polanders in the country generally.

Q. About what change of percentage?—A. I have scarcely any idea what that would be.

Q. Have more of them come?—A. Some have come into the country on the railroads, and also some to these mines. They were largely Irish at one time. Some of these men came as ordinary laborers.

Q. Is the proportion of foreign-born population in the mining region greater than is the average in the State of Pennsylvania at large?—A. I think it is.

Q. And you think that percentage has increased?—A. I think it has increased in the element of labor, not in that of miners proper. The foreign element that come over here as miners are largely English, Welsh, and German.

Q. In that year, 1877, could you furnish the committee an approximate estimate of the output of the coal which is now owned by the Reading Coal Company?—A. I presume I could ascertain those figures at that time. You mean the area covered by the Reading system?

Q. I mean the region owned, leased, and controlled by the Reading system.—A. You mean the production from the same territory from which we are now producing?

Q. And I ought to say before the Reading Coal Company was formed; if you can, I will be obliged for these same statistics for each year since of that total output; and please separate the output from individual mines and from the company's mines, if you can.—A. That could be done, I presume.

Q. I see the reports you had issued, and I did not know but what there were prior reports?—A. Yes, sir; and they have been published for a number of counties.

Q. Well, where you can. The object of that data is to show how much or how many of those individual mines have been absorbed by the company, and what effect that has had upon the output and the operation of mines by individuals as distinguished from corporations.—A. The individual collieries have decreased in number, and annual shipments from the territory have largely increased.

Q. How many collieries were the Reading Company operating, say in 1870?—A. The coal and iron company was not in existence in 1870.

Q. In what year did it come into existence?—A. Well, I think in 1871 or 1872.

Q. Was that the time of their formation?—A. I have no recollection of that, but I can get the data.

Q. Well, the data will furnish the point we want to reach. Is it not a fact that the mine owners there seek to obtain the most work for the least wages?—A. Yes, sir.

Q. As the one possesses the capital and is able to employ the most intelligent and competent assistance, is it not true that the one has the great advantage over the miner in the natural difference between them?—A. Yes, sir.

Q. Is it not natural that in such a case the miners should stand together and by this strength of union endeavor to relieve themselves from such disadvantage?—A. Certainly.

Q. Is there anything improper, unjust, or unlawful in the combination of workingmen, so they do not do an improper, unjust, or unlawful act?—A. Certainly not.

Q. What is your distinction of a strike?—A. A refusal to work.

Q. By the men?—A. Yes, sir.

Q. What is your distinction of a lockout?—A. A refusal to let the men work.

Q. Has this contest between the owners and the miners continued for many years?—A. There have been some contests, of course, for many years, but not recently.

Q. I understood you a while ago to say that the miners had combined back as far as 1863 or 1866?—A. Yes, sir; they did so far back.

Q. Then, about 1867 or 1870 an agreement between the employers and the workmen was made, was it not?—A. There were several of those made in the past between the individual operators and the miners.

Q. How many other strikes or lockouts have occurred since the formation of the Coal Company, within your knowledge?—A. Since the adoption of this last basis—that is, of 1875—there have been none which have amounted to anything at all.

Q. Well, prior to that when was any?—A. There were some prior to that.

Q. Were they strikes or lockouts?—A. They were strikes.

Q. Has there been a lockout?—A. I do not remember any; I do not think there has been.

Q. There has been no demand of the mine owners within your knowledge in that region for a decrease of wages to the men or to impose upon them any service or duties that they might require, to which they objected?—A. Efforts certainly were made at one time to reduce the wages. There was at one time; the strike in 1875 was because of a reduction of wages.

Q. Was that a strike or lockout?—A. It was a strike.

Q. Did the companies in any way induce that strike?—A. That was before my time.

Q. So far as your observation goes, universally any trouble between the employers and the men has always arisen for a demand for higher wages, and at no time has it been occasioned by the benefit which might accrue to the company, and it was always a strike and never a lockout?—A. Yes, sir.

Q. Have the owners of the different anthracite coal regions ever acted together?—A. In what way?

Q. In the matter of securing lower wages?—A. I am not aware that they ever have. There was a strike in the Lehigh region, but the employers in the Schuylkill and the Wyoming regions did not pay any attention to it.

Q. Was there formerly any agreement with the employers in the striking regions; have they always united in the matter?—A. I always understood that they have an indefinite knowledge; nothing else was done. Both of these regions hired those men. We hired Lehigh men. Our men have gone away to Wyoming now very largely.

Q. How many collieries are there open on the property belonging to the coal company?—A. If my recollection is right there are some sixty-five. Some are places that have been opened, and a very large number of them were, and then abandoned. That is, a colliery may have been exhausted, or where the coal was worked down to the water-level and abandoned for the time being, to be opened again in the future.

Q. If the company was working its property to its full extent about what would be the proportion of collieries which would be operated as against those that are now operating, would it be one to thirteen, fourteen, or fifteen?—A. I do not know that I quite follow the question.

Q. This property you say is worth $40,000,000 and you are operating forty-five mines; if you were developing the whole property and obtaining all the coal it could furnish, how many collieries would you be running approximately?—A. It would be mere guess-work. It would be no object to us to develop or produce more coal than can be disposed of.

Q. Suppose it could be disposed of profitably?—A. We could double the output or treble it.

Q. Could you increase it thirteen times?—A. I doubt that.

Q. You spoke awhile ago of the companies furnishing the mining cars or wagons to the miners. In some previous testimony which was given in Washington the statement was made that in former times and sometimes recently that cars were withheld from miners without cause?—A. How do you mean; that the cars were not furnished the men?

Q. That they were not furnished the men as they wanted them.—A. That may have been technically so. It may have been a matter of discipline. Men who left their work and went out and the other men continued at work, cars were given to those who continued at work in preference to those who went out. I do not know of any discrimination except that which would be the proper discipline at the colliery.

Q. Suppose a miner works faithfully and is engaged to-day in some preparatory work—I do not know what you term it—he has a right to deliver single car-loads of coal; now, can he invariably obtain those cars when he wants them, except for purposes of discipline?—A. He would, certainly. It is the interest, both his and ours, that the coal should come forward and that shipments should be made as rapidly as possible.

Q Suppose a case, it may be only imaginary, in which you did not want a very large output; it that event would the cars be unduly held back?--A. No, we would not take that course; we could tell the men, and stop off a portion of them.

Q. As I understand, you are general manager of the coal company?—A. No, sir: I am general superintendent at the mines.

Q. You have nothing to do with the fixing of the price of the coal to be sold anywhere?—A. Nothing whatever.

By Mr. CHIPMAN:

Q. Do you know whether, when there was a disagreement between your Coal and Iron Company and its workmen as to wages, whether the Reading Railroad Company refused to carry coal for the operators who acceded to the demands of the workmen?—A. I have never heard of any such thing.

Q. You never have heard of it?—A. No, sir.

Q. Do you not know that has been in the papers and been common talk?—A. Not in that shape.

Q. Perhaps I have not put it in the right shape. What shape shall I put it in?—A. I understood you to ask when the railroad had refused to carry.

Q. I did not ask you anything of the kind. Read the question, Mr. Stenographer. [The question was read.] I ask if the Reading Railroad Company had refused to carry coal for private operators who acceded to the demands of the workmen. It is good English, whether you have understood me or not. When the demands had been rejected by the Coal and Iron Company, as I understand it, whether the Reading Railroad Company had refused to haul coal for private operators who paid the wages or paid the demands which your company had refused to accept?—A. I am not aware of it; I have no knowledge of it, and I do not believe it.

Q. You never heard of it?—A. No, sir.

By Mr. ANDERSON:

Q. All payments made to the miners or workmen are made by the paymaster of the company?—A. Yes, sir.

Q. Are they in any way under your direction or control?—A. No, sir.

Q. And you have no connection with it whatever?—A. I make out the pay-rolls in my office, and they are handed over to him to be paid.

Q. After that you have nothing to do with it?—A. They are returned with the vouchers to the office.

Q. Who is president of the coal company?—A. George deB. Keim.

Q. What are his duties as distinguished from your duties?—A. He is chief executive of the company.

Q. Do you receive instructions from him?—A. Yes, sir.

Q. Do you receive directions in regard to the work to be performed?—A. Yes, sir.

Q. So he is really the managing officer now, since he directs the policy and general work, and you are the executive officer?—A. Mr. McLeod is the general manager; he is also in the Philadelphia office.

Q. With whom do you most consult, Mr. McLeod or Mr. Keim, in regard to it?—A. With both of them. This present organization has only existed for a very short time, you understand.

By Mr. STONE:

Q. In the Philadelphia Evening Bulletin of yesterday there is a dispatch, in which it is stated that your company has sent three loads of Poles to Mahanoy City to put to work in that colliery?—A. I have no knowledge of it and I do not believe a word of it.

Q. Have you sent any such men of any nationality?—A. No, sir. I think there have been three men who applied at our Philadelphia office who were sent out to our region. Certainly not to exceed four, and who came as individuals.

Q. Did you read that dispatch?—A. I did not see it, sir.

Mr. ANDERSON. I would be very much obliged if Mr. Whiting would furnish the printed annual reports as far back as possible.

By the CHAIRMAN:

Q. You mentioned just now that only three or four men had applied at your office here at Philadelphia to be sent out to your mines.—A. I only know of these.

Q. You are superintendent of the mines and do know if any more had applied.—A. I should have to say that these were the only ones that came to my notice; except an Englishman and two others.

Q. I understood you to say that about 2,000 miners refused to strike? A. They were men who were at work.

And who continued at work ?—A. And who continued at work ineers, firemen, etc.

About how many men have you had of that number in the mines he strike ?—A. About another 1,000.

o that when your mines are in full operation you had about or 21,000 and you now have only about 3,000, and making very rogress if you only had three or four to apply in a big city like elphia ?—A. We are not looking for men outside.

ou do not want outsiders ?—A. No, sir.

ou want your old employés ?—A. Yes, sir; most certainly.

And you refused to engage one of them unless they first come o work ?—A. They are not our employés if they are not at work. ver refused to negotiate with employés.

ou have not made much progress in supplying the places of the ho have struck ?—A. We have made no effort to do so.

Vhy not ?—A. Because we expect these men to return.

pon your own terms ?—A. Upon the terms which they have orking for during the last ten or twelve years, and a promise or tanding which has been made to them that the question of wages be considered when they were at work.

s the work has been interrupted from a misunderstanding, is it ıal among men to have some adjustment and fresh understand- ore labors are resumed on the former basis ?—A. These men have ld repeatedly, they were told before they went out, that we were to make an adjustment; that there were certain things in con- with the basis system that should be changed for our mutual age.

s you refused the 8 per cent. did you ever suggest any other —A. That is the distinction made; they only ask that that should inued absolutely and without any other consideration.

there not an operation known among miners, short of a lockout, rules the wages of the men in prices, or suspends the payment of altogether by cutting them down in time? For instance, you mething about refusing cars to certain miners when you wanted nish the output: is it not common with mining companies or operators to diminish the output by refusing the cars to trans- e coal to the mouth of the mines ?—A. Not that I am aware of,

Vhat about refusing cars, then ?—A. I am not aware that cars een refused. I do not believe they have, except in matters of ne.

ut suppose you wanted to discipline all the miners in a certain r a certain portion of them by refusing cars. Do you not some- o that ?—A. No, sir.

Vhile in that connection, you admitted that in about 1883 or 1884 as an allotment as to the output of anthracite coal made among ing and transporting companies. I understood you to read from hich included the whole of them; am I mistaken or not ?—A. was such an allotment or understanding, which was generally d, to be regulated, of course, in the demand for coal from year to

here was a process of allotment, was there not, or a mutual un- ding by which the coal company had a certain percentage of otment, and, as suggested by Judge Chipman, you subdivided portionment among your different miners, and that threw a great many of them short of time if you did not have a full quota?—A. Not divided among the miners.

Q. Would you discharge the miners altogether, or would you shorten the length of time they might work?—A. That was divided to the other operators of the Reading system.

Q. The Reading Coal Company had a certain percentage of that allotment appropriated to it. If the Reading Company had more miners than were necessary to produce her portion of that allotment how did she do, discharge a certain number of the miners or limit all the miners she had and keep them to fewer hours of labor? Which course did she take?—A. That allotment is not necessarily a restriction of the production, but an adjustment of it to the several companies.

Q. In the production of it, sale of it, or transportation of it, which?—A. In the production of it.

Q. That was a limitation of the production; I suppose you mean the amount of surplus?—A. In order that too much might not be put out in a certain portion of the year. The total, of course, was produced every year.

Q. What course did your company generally pursue, discharge the workmen or retain all the workmen and reduce the hours of labor?—A. Your question is based upon the assumption that there was a restriction of production.

Q. What do you mean by an allotment which you admit existed?—A. I mean they agreed among themselves what proportion of the total yearly output each should produce and ship.

Q. It could not have been both, could it?—A. I speak of shipping coal as any operator would. What we produce we ship. I am not speaking of the railroads in that connection. It does not restrict, it does not produce less coal.

Q. You bring it to the surface and store it?—A. We do not produce any less than we did, and there was no necessity for discharging men.

Mr. CHIPMAN. What was done with the operator who produced more than his allotment and who wanted and insisted upon sending it to market?—A. He was allowed to do just that very thing.

By the CHAIRMAN:

Q. Now tell us what that allotment amounted to, what was it worth if any one who violated the agreement had nothing done with him. What was it worth, why was it done?—A. It was done to avoid an excess of coal being produced in one particular month when it was not wanted.

Q. Now tell me when that allotment system was last in operation?—A. I do not remember, but not for several years, not for some years past.

Q. Do you admit it was in operation, how late?—A. I think as late as 1885.

Q. Have the anthracite mines been operated independent of each other since 1885? Has there been any allotment system whatever?—A. Practically none.

Q. You consider the allotment system an advantageous system to the companies because it restricted the output to what was regarded as a legitimate demand?—A. It would be advantageous in assuring some regularity of work.

Q. What broke it up?—A. I really could not say.

Q. You could not even surmise?—A. Possibly because it did not amount to anything.

Q. You just now admitted that it did amount to something and was a great advantage.—A. Others may not have happened to think the same thing. I had nothing to do with forming it. It was an advantage that work should be carried on more regularly at the collieries.

Mr. STONE. What per cent. of the allotment did your company have?

The WITNESS. My recollection of it is that the coal and iron company's allotment was about 18 per cent. of the production.

Q. How much would the total production be?—A. Of course 100 per cent.

Q. I mean in tons?—A. There is no restriction in that respect.

By the CHAIRMAN:

Q. You admit that you thought the allotment system was a great advantage to the coal company?—Q. I admit I felt it to be so.

Q. Do you suppose the consumer of coal would feel it to be so?—A. The advantage to me has nothing to do with the consumer.

Q. Well, as representatives of the public, we think the consumer is left out in the cold by these present Schuylkill mining operations, and we want to look to the consumer's interest somewhat. That is one reason why we are looking to have some law passed, and propose to have one passed, to prevent the consumer from being victimized by these operations in future. Will you try and explain why the consumers would not suffer?—A. I do not know that I could say that. I was only saying why it was an advantage.

Q. To the consumer?—A. No, to me.

Q. Nobody doubts it would be an advantage to the coal company. One more question, and I am through. It may need two or three preliminary questions to come to it. How many individual, partnership, and corporation coal mines, other than those belonging to the Reading Company in the Schuylkill region, are in operation? About what is the number?—A. I could not give the number, but this map would give the names.

Q. Are not nearly all of them in operation to-day?—A. Outside of the Reading Company?

Q. Outside of the Reading Company in the Schuylkill region?—A. No, sir; not all of them.

Q. Well, how many of them other than those that the Reading Company owns or has leased?—A. It is a very small proportion.

Q. So that they are nearly all in operation?—A. Yes, sir.

Q. Upon what basis of wages to the men; are they not paying the 8 per cent. which the men demanded and the Reading Company refused?—A. Until such time as an adjustment is made with us.

Q. But on the basis of paying the 8 per cent. which the men demanded and to which the Reading refused to accede?—A. Yes, sir; in the most of these cases.

Q. Here, now, is my question; all the others were merely preliminary: How is it and why is it, that all the other coal companies, or practically all in the Schuylkill region, can pay these wages and the Reading Company refuses to pay them?—A. They can do it while we are idle, but they can not do it when we commence to work.

Q. Is that all the answer you wish to make to that question?—A. Yes, sir; they can not do it, because they can not get prices for their coal which would warrant it.

Q. And you, the superintendent of the largest coal company in Pennsylvania, do not know the price of coal?—A. No, sir; I do not sell it.

Q. Well, in Philadelphia, say, you know there has been an advance in the price of coal?—A. Yes, sir.

Q. Well, will you admit, then, that coal has advanced, say $1 a ton within two months to the consumer at tide-water; if so, the other coal companies having acceded, would not that state of things justify the Reading Coal Company in paying this amount of advance in wages?—A. It would not, because if the Reading collieries were fully at work that price would not be maintained one day, certainly not ten days.

Mr. ANDERSON. Are not the wages being paid by the individual operators in the Schuylkill region about the same as those paid in the Wyoming region where there is no strike?—A. With the 8 per cent. I should say they were in excess.

The CHAIRMAN. If your company were to resume operations in your mines and continue at its present prices for any considerable length of time, would not the prices of coal fall very slowly, and would not it take several months at least to reduce coal to the price at which it was selling when this strike or lockout, whatever it was in your company, occurred?

The WITNESS. In my opinion that price would drop certainly within a week.

Q. Well, drop how much?—A. It would drop whatever it has gone up. In the mean time, it is reported to have dropped $1 from the point which it reached in the Wilkes-Barre and Wyoming regions; but these are probably fictitious and panic prices.

By Mr. ANDERSON:

Q. Then the price of coal to the general consumer has been increased as the direct result of this strike or lockout in the Reading region?—A. Yes, sir.

Q. I understand the miners' wages are based upon the price of coal at Schuylkill Haven?—A. Yes, sir.

Q. And that price is $2.50?—A. That is the basis price. When coal brings $2.50 at Schuylkill Haven a certain schedule of prices is paid.

Q. How is that $2.50 ascertained?—A. That arrangement was made, I think, in 1875 between the representatives of the labor organizations and a committee appointed by the then existing operators. It was then determined that once a month an independent and disinterested committee of all white-ash collieries shipping something beyond 20,000 tons a year——

Q. This committee was chosen by the two different parties, the owners and the miners?—A. Yes, sir. They drew from these names five collieries. Then the committee notified the operators of those collieries that they had been drawn and to make returns of the selling prices of coal. These returns were certified to by the five operators, and the committee named the average of these five as the basis upon which the prices or wages were paid.

Q. Is it or is it not true that the men or miners or their representatives have a voice in selecting a similar committee by which these prices are ascertained to-day?—A. One of these men is one who was originally selected; there has never been any change. One of these men died and his son, by common consent, took his place.

Q. There are now three of them selected by the operators?—A. No, two of them.

Q. From what mines do they now make their draft; those of the Reading Company and those of individual operators?—A. Whatever happens to be drawn, the whole number are in the books. All the collieries in the Reading system or in the Schuylkill Valley; all collieries shipping 20,000 tons and over.

Q. Have the gentlemen constituting the committee any relation to the Reading Coal Company?—A. None, whatever.

Q. Or to the railroad company?—A. No, sir.

Q. In what business are they?—A. One is a United States commissioner, notary public, etc. The other was originally a bank president, I do not know what his son is doing now.

Q. Is his son engaged in the banking business?—A. I think not.

Q. Is he interested in the bank?—A. I do not know; he may be.

By Mr. CHIPMAN:

Q. Is there a man named Richards; I think that is the name of a man Mr. Corbin mentioned as being a statistician?—A. He is general sales agent.

Q. Mr. Corbin spoke of him as being a sort of statistician who fixes the prices of coal.—A. He is general sales agent.

Q. Do you know about his fixing the price of coal?—A. I do not know about that.

Q. Will you be kind enough to give the names of the directors, if you could, of your Coal and Iron Company?—A. I have an abstract from the report which contains the number of directors. It has not gone to the printer yet, it has not been printed, but it is not here and I could not give all the names from memory.

Q. Can not you give us the names of the directors now; you are the general manager?—A. I am the general superintendent and my business is 100 miles away from the Philadelphia office.

Q. Do you mean you can not remember them?—A. I do not remember them all.

Q. Well, give us the names that you remember?—A. Colonel Dupont, George Baer, and William J. Audenreid——

Q. Mr. Corbin says he is one?—A. And I suppose McLeod, he is one, being vice-president and general superintendent (referring to paper). The organization at the last election was George deB. Keim, president, and the following gentlemen directors: Audenreid, Corbin, Baer, Dupont, Wolverton, and Wigan.

By Mr. STONE:

Q. You said that the private operators in the Schuylkill region could not afford to pay the 8 per cent. advance a day if the Reading collieries went to work?—A. I say so.

Q. Why?—A. Because the price would come down so much that they could not get their money back.

Q. What would occasion the fall in prices?—A. It would be the reverse of what put it up; the increase of supply, which would put it down.

Q. Is that statement in harmony with the statistics furnished by Mr. Jones here this morning?—A. That is, that there would be an abundant supply. That statement was that the Wyoming region had produced immensely against what the other regions had produced.

Q. I mean as to the aggregate supply?—A. Well, for every year there has been a large increase in the total amount produced.

Q. I asked you a moment ago, when the allotment system was in force, what part of that fell to your company, and you said about 18 per cent. I will ask you 18 per cent. of what?—A. Of the total production of coal allotted for the month.

Q. Of course that is a manifest proposition, but there must have been some limit upon the total production?—A. I say there was an estimate of what was wanted in the market for a week or month.

Q. Do you think in that case there was no limit of production?—A. No.

Q. How would your company or any operator know when it produced its percentage?—A. The estimate, I understand, was made in each month as to what was required for that month.

Q. For that month instead of a year?—A. So I understand. This percentage or allotment was made according to the relative capacity of the different producers; their relative capacities to produce.

Mr. CHIPMAN. Based upon an assumed maximum?

The WITNESS. Based upon their capacity to-day.

Mr. STONE. And you were permitted during certain months to mine 18 per cent. of a maximum amount?

The WITNESS. It was an assumption of what the market would take for that month.

Q. The amount fixed by the operators making this allotment was what you assumed would be taken during that time?—A. Yes, sir. I it was more or less for one month it was distributed the next month and the workmen were never deprived of a pound of coal when he wanted it, but a short time.

Mr. CHIPMAN. Was that 18 per cent. based upon the capacity of your mines?

The WITNESS. I think it was based upon what had been done by these different producers in a series of years past.

The CHAIRMAN. Also with reference to what would be the probable demand?

The WITNESS. That had nothing to do with the percentage. The percentage was established by the capacity. The relative capacity of the several producers was represented by that percentage.

Q. You produced 6,000,000 tons of coal or a little over last year?—A Yes, sir.

Q. Is that the extent of your capacity?—A. It was last year.

Q. If there was an allotment of 18 per cent., would you have been obliged to have produced only 18 per cent. of 6,000,000?—A. No; o the total production in the region. That 18 per cent. represented th capacity of each producer relatively in the years past. That was, as understand, that amount.

Q. Suppose your region could produce 8,000,000 tons of coal and th whole market wanted, say, but 35,000,000 tons of coal. On such a basi of production how do you reach the proportion among the operators i your Schuylkill system?—A. By what they have been doing in previou years.

Q. By their capacity?—A. Yes, by their capacity.

Mr. PARKER. You say these striking men will come back and go t work?

The WITNESS. Yes, sir.

Q. On your own terms?—A. At the old rates; yes, sir.

Q. What force do you rely on to bring these men back?—A. Well sir, their necessities.

By Mr. ANDERSON:

Q. Starved out, do you mean?—I did not say we would keep them out until they did starve. I did not propose to put it in that shape.

Q. After their necessity had become sufficiently pressing?—A. It is a necessity for everybody who works that they get work.

Q. Is there in the employ of your company a man named Brennan; what were his duties?—A. That man for a number of years has been known as car-rater. He was known as a car-inspector in the collieries.

Q. What were his duties?—A. To visit collieries that wanted to have their collieries rated as to their producing capacity. He went through certain formula, examined the capacity of production inside, the number of gangways, the width, height, etc., in the mine, the width of the breaker in its capacity for preparation, and deduced from that formula the number of railroad cars that colliery could ship.

Q. By whom was he paid?—A. By the railroad company. And the reason for that, as I understand it, was this. At times when there was a large demand for coal and the car supply was inadequate, these ratings were valuable to make a proper distribution.

Q. Have they not a sufficient car stock?—A. There were times when their demand was in excess of the supply.

Q. Does the company restrict transportation through lack of cars?—A. No, sir. At one time there would be ten times as many required, say in the winter months, and in some of the summer months there was not anything like the amount of shipment or cars required as there would be during September, October, and November.

Q. Does he visit individual collieries?—A. As well as the Coal and Iron Company collieries.

Q. Suppose an individual operator would not ask for Mr. Brennan to inspect his colliery, would he be sent there anyhow?—A. I do not know what the objection would be.

Q. Did he go under their orders?—A. Yes. He was under the railroad company. He is now with the Coal and Iron Company.

Q. Paid by the company?—A. He is now.

Q. Would he be accepted in inspecting other mines?—A. Yes, sir.

Q. Would you send him to make a general inspection of individual mines?—A. No; only where he was asked. Where they wanted a different rating.

Q. I presume from what you have already stated that you have nothing to do with the fixing of payments of the tolls which the Reading Railroad Company charges for transporting coal from the mines?—A. I have nothing to do with it, sir.

Q. The coal company owns all the cars which are used by the railroad as distinguished from the railroad company?—A. No, sir.

Q. Does it own any other instrument of transportation; does it own these colliers?—A. I think not. That is not connected with my department.

TESTIMONY OF A. A. McLEOD.

A. A. McLEOD sworn and examined.

By Mr. STONE:

Q. Where do you reside?—A. In Philadelphia.

Q. What is your business?—A. I am vice-president and general manager of the Philadelphia and Reading Railroad.

Q. Have you any connection with the Philadelphia and Reading Coal and Iron Company?—A. Yes, sir; I am general manager of the coal company.

Q. How long have you been general manager of the railroad company?—A. Since the 1st of January, 1887.

Q. How long have you been connected with the railroad company?—A. Since November, 1886. I was acting general manager from tha time until the 1st of January; then I was appointed general ma ager.

Q. You had no connection with the Reading Railroad system prior t that time?—A. No, sir.

Q. Are you a stockholder of that company?—A. In the Reading?

Q. Yes, sir?—A. I have some stock; yes, sir. I have got all that I can pay for.

Q. Did you acquire your stock in 1886?—A. No, sir.

Q. Prior to that?—A. No, sir.

Q. Since then?—A. Yes, sir.

Q. How long have you been connected with the coal and iron company?—A. About the same length of time.

Q. Are you familiar with the history of those companies and wit their methods of operation?—A. Yes, sir; as familiar as a man can b who has been the executive officer for the length of time I have. The are large corporations, and, of course, I could not be perfectly famili with all the details; but I have picked up the general facts. I do no think I have the details, because, of course, details are attended to b subordinates.

Q. Do you know when the Philadelphia and Reading Coal and Iro Company was organized?—A. I do not.

Q. Do you know when the Philadelphia and Reading Railroad Company was organized?—A. I do not.

Q. Do you know which is the older of the two?—A. I do not; but imagine that the railroad is. I could not tell that as a fact. That is question I have never thought of looking into.

Q. The strike began on your railroad in December last?—A. Ye sir.

Q. Will you state as briefly as you can the causes leading up to tha difficulty? And I hope, Mr. McLeod, you will be as brief as you ca and we will be as brief as we can in asking necessary questions.—A Of course, I can not give you exact dates in all cases. Now, somewher about the latter part of December, I was notified by some of our subordinates that they attempted to move some cars of merchandise into warehouse managed by the Philadelphia Grain Elevator Company an the men refused to move the cars; that the men refused to shift the and put them into that warehouse. I inquired why they refused to do s

Q. Of whom?—A. Of the party who conveyed me the information, som of our subordinates. And I was told it was because the Taylors did n employ Knights of Labor. I did not consider that a very good excus for refusing to move the cars, and I issued an order to have the car moved, and at the same time I said if the men refused to move the car to discharge them. The result was that all the men engaged in tha particular work refused, and were discharged. There were about fiv crews and generally about six men to a crew. And it was intimated t me at the same time that none of our men would move those cars an that there would be trouble if we attempted to move them with an other men than Knights of Labor. And we found other men wh were ready and willing to take the engine and put those cars into th warehouse, and they were put on the engine, and I believe that cause the strike. At least that is all there is of it.

Q. Did you take other men than your old employés, the then existin employés, to move the freight?—A. No, sir; I think every man who undertook the movement of those cars, which the men who were discharged refused to move, were men in the employ of the company.

Q. Were they Knights of Labor?—A. I do not know about that. They were willing to obey orders. That was all, of course, that was required of them.

Q. Were they part of the men who afterwards went out on the strike?—A. No, sir; they remained in the employ of the company.

Q. Do you remember on what day this occurred?—A. I think it was on the 22d of December.

Q. And that day you discharged those five crews?—A. I think that was the day.

Q. When did the great body of your employés abandon work, or strike?—A. I suppose between that date and the 26th or 27th.

Q. After you discharged the five crews, had you no conferences with men representing your employés, touching their restoration?—A. I do not remember having any.

Q. Was any threat made that all the men would strike if you persisted in the discharge of the crews?—A. No, I think not. I think those crews were discharged because they refused to perform a duty.

Q. That is why you discharged them?—A. Yes, sir.

Q. You had some 2,600 men who afterwards went out?—A. We have many more, but 2,600 of all the men employed on the railroad went out.

Q. I say you had about 2,600 that went out. Was their going out subsequent to the discharge of the five crews?—A. Yes, sir.

Q. Was it on that account?—A. I suppose so.

Q. Had you no conferences with your men before the general strike?—A. No, I think not, personally. I presume our superintendent had; he is the next ranking officer to myself.

Q. Mr. Sweigard?—A. Yes, sir.

Q. After the men went out, had you any conference with any of them touching their return to work?—A. I may have had, but I do not recollect any. I will not state positively as to that, but probably there was none of much consequence or I would recollect it.

Q. Do you know a man in your machine shops, or who was in them, by the name of Lee?—A. Yes, sir.

Q. Did he come as one of a committee to confer with you and Mr. Sweigard with reference to this strike and resuming work?—A. I do not think he did.

Q. Was any arrangement made with you, or any other officers of your company, concerning the return of those men to work?—A. I can only speak for myself; there was none made. Of course I can only speak for myself; I can not speak for any other officer of the company.

Q. Well, probably not in a direct sense, but you have had conferences with Mr. Sweigard and other officers of your company about the matter, have you not?—A. Oh, yes.

Q. Have not you understood from Mr. Sweigard or some other of your chief officers that some arrangement was made by which the men were to return to work?—A. No, sir.

Q. Was not there some understanding that they were to return to work on the 26th or the 27th, on a certain morning?—A. Not that I know of.

Q. I understood Mr. Corbin to say that some arrangement was made on the 24th by which the men were to return to work on the 27th?—A. Not that I know of.

Q. Did you ever hear of anything of that sort?—A. No, sir.

Q. Have you never heard the complaint by the men that they di not receive notice that they were to return to work?—A. No, sir; I hav heard nothing from the men directly; but I read the newspapers.

Q. Did you see it in the newspapers?—A. Yes.

Q. What was the foundation for that statement?—A. I do not know

Q. You have no idea?—A. No, sir.

Q. How many men have you as employés at work on the railroa system?—A. About 15,000.

Q. The railroad system?—A. Yes; the railroad system. We ran fro 14,000 to 15,000 at different seasons of the year. At some seasons w have more men than at others; probably it would be from 13,000 t 15,000.

Q. What do these men do, the great body of them?—A. Oh, there i a large number of them trainmen.

Q. About what proportion of them?—A. Well, I do not know; I di not think to look into that.

Q. You could approximate it?—A. It is very large; the largest pro portion of them are trainmen, of course.

Q. Do you suppose, say, 10,000 of them are engaged in transportin trains?—A. No.

Q. Well 50 per cent. of them?—A. Probably 50 per cent.

Q. That would be putting the number at 7,000 to 8,000 men?—A. Ye sir.

Q. In that you include engineers, firemen, brakemen, conductors, an men of that class?—A. And baggagemen; yes, sir.

Q. Now, what is the employment of the other men?—A. They a trackmen, station agents, telegraph operators, and shopmen. We e ploy a great many men, of course, to repair our own equipments in t shops at different points on the system.

Q. Out of all that number only 2,600 left your employment?— That is about all.

Q. And the rest continued on as usual?—A. Yes, sir.

Q. What proportion of the strikers were trainmen?—A. Probabl about 99 per cent.

Q. Practically all of them?—A. Yes.

Q. Did you never hear of a conference between a committee of th strikers and Mr. Sweigard, or other officers of your company, here i Philadelphia, by which it was agreed that the five crews and some tw or three other men should be discharged and should not return to th employ of the company, but that all the other men might return at given time?—A. I heard of a conference, but the agreement, as I understood it, was not as you have stated it.

Q. How did you understand it?—A. As I understood it, this conference took place about the time the five crews were discharged and a few other men, and as I understand it, Mr. Sweigard stated to Mr. Le that if the men returned to their work of course they would be take back if they kept on doing their work; that we only discharged th men for refusing to obey orders, but that the five crews and other me who had been discharged at that time for refusing to obey orders shoul never come back in the service of the company. That is the way I understand it.

Q. Were any telegrams or notices of any kind sent out along you lines directly requiring or notifying the strikers to return to work?—A I issued an order that if they returned to work on the 27th, I think i was, their places would be open for them, but if they did not return o that morning we should fill their places with new men.

Q. You say you issued that order?—A. Yes, sir.

Q. In what way did you issue it?—A. I issued it to the general superintendents, and it was printed in circular form and put up and distributed generally through the system. I think you have a copy of it. I gave a copy to Mr. Corbin and I understand it was left with the committee.

Q. That was the only cause, so far as you know, Mr. McLeod, of trouble between you and your trainmen?—A. That is all I know of.

Q. How long did this strike interrupt the average course of your business as a carrier of commerce?—A. It did not interfere with it practically at all. We moved all the freight that was offered, and did it promptly; that is, I do not think we had freight trains detained more than a few hours. We worked hard to find new men to take the places of those men who refused to go to work, so we kept our road in operation practically without interruption.

Q. When did the strike in the mines begin?—A. I suppose I should date it from the 1st of January.

Q. What did you understand to be the direct cause of that strike?—A. The refusal of the company to continue to pay the 8 per cent. advance which they agreed to do on the 14th of September.

Q. Did that have any connection with the railroad strike?—A. Yes, sir: I think so.

Q. Well, what?—A. I think that the miners, at least the representatives of the miners, and the representatives of the striking railroaders were in sympathy. I understand they had a meeting and resolved to indorse and support that strike. I am so informed, and I believe it to be so.

Q. How many of those 2,600 are now in your employ? I mean the railroad strikers?—A. The 2,600 that struck?

Q. Yes, sir.—A. Not one.

Q. Do you know what became of them?—A. I do not.

Q. Have they sought employment from your company since?—A. I do not know.

Q. Would you permit them to take service in your company?—A. No, sir: never while I am in charge of it.

Q. Was any violence attempted on your property? Was there any effort to "kill" trains?—A. Well, we did not give them very much chance to do that. I think there would have been if we had not been prepared to move our trains.

Q. The capital stock of the Coal and Iron Company, I understand, is $8,000,000?—A. So I believe.

Q. Can you tell the number and the amount of the shares into which it was divided prior to its absorption by the railroad company?—A. I could not. That is unknown territory to me, and I have never looked into it.

Q. Do you know anything about who owned those shares?—A. I believe the Philadelphia and Reading Railroad Company own the shares.

Q. Now?—A. Now.

Q. I mean before it was absorbed; at the date of its organization.—A. That I do not know. This is a question I have never examined.

Q. You know nothing about that?—A. I do not.

Q. Do you know anything about the method of operation of the company at all?—A. At that time?

Q. Yes.—A. No, sir. I know very little about it prior to my connection with it.

Q. Can you tell when the railroad company came into control of t coal and iron company?—A. No, sir; I can not.

Q. Have you no information whatever on that subject?—A. No, s

Q. Can you tell anything about how the Reading Railroad Compa obtained the stock of the coal and iron company?—A. No; I can no

Q. You know nothing about the price paid for it?—A. No, sir.

Q. Perhaps you can tell whether the railroad company bought t stock of the Coal and Iron Company?—A. I can not; I have not t remotest idea.

Q. Do you know anything about the financial condition of the C and Iron Company, as to its solvency, its debts, and its property, at t time of its absorption by the railroad company?—A. I do not.

Q. Can you tell anything about what has been added to the prop ties of the Coal and Iron Company since its absorption by the railro company?—A. I can not.

Q. Can you tell anything about the debts created as liens upon t properties of the Coal and Iron Company since its absorption by t railroad company?—A. I can not.

Q. Can you tell anything at all about the Coal and Iron Company? A. Very little.

Q. Are you right sure there is such a company?—A. I have an id there is.

Q. Well, if you know nothing about the matter before your conn tion with the company less than two years ago, you ought to have so knowledge of its management and its business since then?—A. Of physical management, yes.

Q. Mr. McLeod, have you no curiosity?—A. Very little.

Q. Have you never looked into the history of this business at all? A. I would not have had the time to do it if I had had the curiosity.

Q. Do you know what sort of contracts are made between the mine of coal and the Coal and Iron Company, or were, prior to this strike? A. That is a matter that is all in the hands of the general superi tendent, Mr. Whiting.

Q. Well do you know anything about it?—A. No, sir; we look Mr. Whiting for results; we have not time to go into these details.

Q. Do you not know upon what basis your business is done u there?—A. Not of the details, except in a general way.

Q. Well, in a general way, then?—A. I could not tell you what co tracts Mr. Whiting makes with his men.

Q. Do you not know the system of business by which your compa deals with the miners?—A. Well, I know in a general way that he pa such a class of laborers so much and that he pays another class so muc and that is all I know about it.

Q. Upon what basis is the compensation of miners computed?— It is computed upon coal selling at Schuylkill Haven at $2.50 a ton, I understand it.

Q. I wish you would explain that; but I will ask this question: Wh the price of coal at Schuylkill Haven, which is the shipping point the mines, is $2.50 a ton, what does the miner get?—A. A certain cl of miners get about $2 a day. Some other classes get more. Then t contract miners—that is another question, and these are details I not familiar with.

Q. Do you know what class of miners get $2 a day?—A. No sir; I not.

Q. Can you tell about how much a miner gets per ton for each mined by him when coal is worth $2.50 at Schuylkill Haven?—A. No ir; I could not.

Q. Well, if coal advances above $2.50, what does the miner get?—A. He gets 33⅓ per cent. of that advance.

Q. Well, if it declines below that point?—A. He loses that much.

Q. What has been the basis since your connection with the company?—A. Yes, sir.

Q. Have you ever paid higher wages than that?—A. Than the $2.50? Yes, sir.

Q. When?—A. Oh, we have paid above that price for several months. My recollection is that we have paid above that basis since last August.

Q. That was the 8 per cent. advance?—A. No, sir; the $2,50 basis. We paid the 8 per cent. advance during some months.

Q. But without reference to that particular advance of 8 per cent., you paid above the $2.50 basis?—A. Yes, sir.

Q. Since last August?—A. I think so, but I may be wrong about that; that is my recollection. But of course I could not tell what questions you would put to me, and I can not remember these details; but I think so.

Q. Did that increase occur as the result of the sliding scale of 33⅓ per cent?—A. Yes, sir,

Q. The $2.50 has been the basis all the time?—A. No; since the 1st of September $2.58 has been the basis; the 8 per cent. basis.

Q. I asked without reference to the 8 per cent?—A. Yes: that has been the basis; $2.50.

Q. Ever since your connection with it?—A. Yes, sir.

Q. Well, on that basis of $2.50 at the mines, can you tell how much your miners make per ton?—A. I can not.

Q. How much they make daily?—A. No; I could not tell you without referring to our books.

Q. Have you had any interest in the matter as to how much your miners would make?—A. Yes, sir.

Q. Have you ever inquired into it?—A. Yes, sir.

Q. To ascertain whether they were making good living wages?—A. Yes, sir.

Q. Were you satisfied that they were?—A. Yes, sir; I was satisfied we were paying them all we could afford to pay them. I think we were paying them as much as other men mining coal were paying, and I made up my mind we could not pay more.

Q. If you had interest enough then to examine into the matter it could not have been a very great while ago since you did it?—A. No.

Q. And you have no recollection as to what that examination disclosed?—A. Well, no; I do not think I should be expected, because we have a great many classes of laborers. If we had but one or two classes of laborers and we paid so much per day to those classes, I think I should remember, but when we have a great many I do not think I should be expected to.

Q. Aside from the sum paid to the miner in money, has he no other compensating wages?—A. Not that I know of.

Q. What does it cost the Coal and Iron Company to mine a ton of coal?—A. Various sums; some coal costs more than other coal.

Q. What makes the difference or variation?—A. Well, one part of it goes to the miner by this sliding scale.

Q. Well, when coal is worth $2.50 at Schuylkill Haven, how much does it cost your company to mine a ton of coal?—A. That I could not tell you without reference to the books. I can give you the information if you give me time to do it.

Q. Could you give the items of expenses?—A. I think I can. Our books are open to this committee.

Q. Your books are open to this committee?—A. Yes, sir.

Q. Could Mr. Keim furnish these items of expenses? Ought he to be able to do it?—A. Yes, sir. If Mr. Keim can not do it, we can take it from our books, and take what it does cost finally.

Q. Can you tell this (I suppose not, however, unless you can itemize the cost of coal): I was going to ask whether you can state how much your company made or lost on a ton of coal loaded into your cars at Schuylkill Haven at $2.50 per ton, on that basis?—A. Well, that is a matter of record and a good deal of figuring. If you give me time I think I can figure it out.

Q. How would you figure it out?—A. That is a pretty hard question to tackle. It would involve the large question of figuring out the general coal at Schuylkill Haven and what we would have to have for all our coal for a year, I imagine.

Q. When you fixed $2.50 as a basis at Schuylkill Haven, you mean coal is worth that sum at that particular place?—A. No; it might be worth more, or might be worth less.

Q. The fact is, this is a sliding scale, and it is upon that basis of $2.50?—A. Yes, sir.

Q. If it should be worth $2.50 exactly at Schuylkill Haven, if you could ascertain the various items of expense to you in mining a ton of coal and now being able to sell it at $2.50, you would know just how much you made or lost on it?—A. Yes, undoubtedly.

Q. As a general proposition, from your knowledge of the business, when coal is worth exactly $2.50 at Schuylkill Haven, is it mined profitably or otherwise to you? Can you sell it there at $2.50 and make money on it?—A. I doubt if we can.

Q. This $2.50 basis upon which the compensation of the miner is computed, I understand you to say, is the value of the coal loaded on the cars ready for transportation?—A. At Schuylkill Haven?

Q. Yes, sir.—A. Yes, sir.

Q. Well, now, when coal is worth $2.50 at the mines, what is it usually worth in Port Richmond, here in Philadelphia?—A. Well, that is a matter, I suppose, governed by the laws of trade. Coal is worth some months a certain price at Port Richmond, and some months it is lower.

Q. Is not the price at Schuylkill Haven regulated by the price at the central market here?—A. Yes, sir.

Q. Then if coal is too low here to justify the price of $2.50 at Schuylkill Haven, the price there would be less than $2.50?—A. Yes, sir; undoubtedly.

Q. Then if it is worth $2.50 at Schuylkill Haven, what is its relative value here on the market?—A. The freight will be added, of course. You can not regulate the price at Port Richmond simply by adding the tolls from Schuylkill Haven to Port Richmond. The price of coal at Port Richmond is governed by the price of coal at all competing points.

Q. Of course; I understand that. The prices at Port Richmond are certainly influenced by the prices at New York or Boston?—A. Certainly.

Q. So also the price at Schuylkill Haven by the prices at those places and Philadelphia. In other words, the price runs backwards from the market to the mines; the price at the mines is regulated by the prices at the points of consumption, is it not?—A. No, I think it is worked the other way. We get all we can for it and take out all the expenses, and that makes the prices at the mines whatever is left.

Q. Of course you get all you can at Philadelphia, New York, or any other place?—A. Yes, sir.

Q. And what you were able to get for it would necessarily affect the value at the mines?—A. Yes, sir; that is true.

Q. Then if the price at Philadelphia or New York was such as to justify the price of $2.50 at the mines, what would that price be at Philadelphia?—A. What is the price of coal at Philadelphia?

Q. Yes, sir, when it is worth $2.50 at the mines?—A. I will look that up and let you know.

Q. Can not you tell it?—A. No, I can not.

Q. Have you not pretty good information of it?—A. No, I have not, because the retail dealers may put a dollar a ton on it at Philadelphia.

Q. I speak of it in the hands of the coal and iron company, at the prices they will have to dispose of it at Philadelphia?—A. We dispose of coal at Philadelphia at various prices, $4, $4.25; there are various grades of coal, you understand. Small sizes of coal, buckwheat and pea coal, bring almost nothing at the mines. Other sizes bring more. It is impossible for me to give you the various prices of these sizes of coal without referring to our books.

Q. When you say coal is worth $5 at tide-water, what sort of coal do you mean?—A. Five dollars would be the best quality of coal. That would be stove coal, the highest coal on the market.

Q. When you say coal is worth $2.50 at Schuylkill Haven, what character of coal do you mean?—A. That means an average of all the sizes except pea coal.

Q. Now, when the average of all sizes has a market value of $2.50 at Schuylkill Haven, can you tell this committee what your company ordinarily sells that coal for in Philadelphia?—A. No, I can not. We have a man in charge of our sales department who can furnish all that information, or I can do it if you give me time enough to do it.

Q. As a matter of fact, do you not hold your coal at tide-water or here in Philadelphia at about double the value you fix on it at the mines?—A. That I can not tell you. We sell our coal according to the competition that we find and we get what we can get for it in the market.

Q. What is the distance from Schuylkill Haven to Philadelphia by your railroad?—A. I shall have to refer that to somebody [questions some one sitting near]. It is 93 miles.

Q. What is the distance by the Schuylkill Canal?—A. That I do not know.

Q. Can you refer to somebody to ascertain that?—A. [Referring to same gentleman.] Ninety-eight miles.

Q. Is the canal operated now?—A. It is not now; it is closed up now.

Q. Do you mean it is frozen up now? But I take it for granted it is. You mean to say it is closed up by ice; is that what you mean?—A. Yes, sir.

Q. Well, aside from that, is it operated?—A. It is not.

Q. Does the channel of the Schuylkill River comprise any part of this canal, and make a highway along which boats coming down the canal pass?—A. I believe it does in several places. I never examined it closely, but I believe it does.

Q. Do you know whether the Government of the United States contributes towards the improvement of that river?—A. I do not.

Q. The canal is entirely under the control of the Reading Railroad?—A. I suppose it is.

Q. Can you state how long since?—A. No, sir; I can not. I foun it there when I came here.

Q. Have you no information upon which to base an intelligent judgment as to the length of time the railroad company has controlled it?—A. I think it is a good many years, but I can not tell you how many.

Q. Do you know in what way the railroad obtained control of th canal?—A. They leased it, I believe.

Q. For 999 years?—A. I do not know how many years.

Q. Do you know why the Reading Railroad Company leased the canal?—A. No, I do not.

Q. Do you know what the Reading Railroad Company agreed to pa for the canal?—A. No; I do not.

Q. Is not the contract still in force?—A. No; I believe not. I thin there has been a compromise made of some kind.

Q. But that compromise has not been completed yet, has it?—A Probably not.

Q. Was not the railroad company to pay something over $600,0 a year to the canal company?—A. I believe that is the amount, something like that. I think that is the amount.

Q. The railroad company is also at the expense of maintaining a keeping the canal in repair, etc.; was not that the contract?—A. Ye it has to keep up the organization of the Schuylkill Canal.

Q. Well, but the Reading Railroad Company was to pay the expens of keeping it up?—A. I do not know what the terms of the agreeme were.

Q. Are you not general manager of that canal?—A. I am.

Q. Do you not know whether you are required to expend any mon in preserving or extending it?—A. I do spend it.

Q. Then you do know that you are required to do it?—A. Yes, s

Q. You say you do pay money for that purpose?—A. The Schuylk navigation, yes, sir.

Q. How much was expended for that purpose last year?—A. I coul not tell you without reference to the books.

Q. Could you approximate it?—A. I could not.

Q. You do not use it very extensively in the transportation of freight of any kind, do you?—A. The canal is open for freighting that will g over it.

Q. As a matter of fact it is not used very much, is it?—A. It is no used to a very large extent I believe.

Q. Does your company use it?—A. The railroad company, no, we d not.

Q. You do not transport your coal over it?—A. There is some coa going over it belonging to the Coal and Iron Company.

S. Very little?—A. It has shipped, I think, somewhere about 100,00 tons over it during the past year.

Q. As a matter of fact did not the Reading Railroad Company lea this canal with a view to control it, so as to remove competition in th carrying of coal from the mines?—A. I can not account for that, si That was previous to my connection with the Reading Railroad Co pany.

Q. If the canal was kept in order, how long would it ordinarily ta to bring a boat-load of coal from the mines to Philadelphia?—A. Well could not answer that definitely.

Q. How long does it take to bring a train of cars from the mines Philadelphia?—A. Oh, we bring them down in a day.

Q. And you do not use the canal enough to know how long it do take to bring boats down?—A. No; I did know at one time how long it took. I figured it out one time a year ago.

Q. Would not the coal be in better condition in the canal-boats than on the cars?—A. No; in a very much poorer condition.

Q. Can you tell me why that would be the fact?—A. By handling it so often and transferring it; you lose a certain per cent. every time you handle it.

Q. Would the difference in time between the mines and Philadelphia by rail and water be important?—A. I think it would in a great many cases. It might not in all cases.

Q. Well, in the shipment of coal ordinarily?—A. Yes; it would amount to something, but not to a very great deal.

Q. Could not sufficient coal be brought down the canal, perhaps not wholly, but largely, to meet the demand now supplied by your railroad?—A. It could not begin to do it.

Q. What per cent. of it could it supply if it were kept in good order?—A. Ten per cent. probably.

Q. Can not coal be naturally transported cheaper by a canal than by rail?—A. I think not.

Q. From the mines by water to New York and Boston can not it be transported cheaper by water than it can be by rail?—A. The canal does not reach the mines, you understand.

Q. No; but is it not within striking distance?—A. Well, it would take a pretty good reach; you could not strike a man very hard at that distance.

Q. How far is the canal from your mines?—A. I suppose it is an average of 40 miles; I should think so.

Q. Can you state how much it costs per ton to ship coal by the canal to Philadelphia?—A. No, sir; I can give you these figures? I have got them all.

Q. Have you got them with you?—A. No, sir.

Q. When could you let us have those figures? We have not got any figures so far, Mr. McLeod.—A. I think I can let you have them to-morrow. If I can lay my hands on them, I think I can let you have them in five minutes after I get back to my office.

Q. Do you mean to say you can give me figures showing what is charged per ton for shipping coal from the mines to Philadelphia; what the cost is?—A. What is the charge?

Q. Well, what the cost is to ship a ton of coal.—A. Yes; I can give you that estimate of the cost of shipping a ton of coal.

Q. How is the cost of shipping on the canal fixed?—A. Well, you would have to fix it in two ways to get at it: in the first place, you would have to charge the actual expense of conducting the transportation and the maintenance of the canal, and then you would have to charge so much up for the cost of the canal; then the costs of obtaining it to be added to the expense; it would all come in the expense covered by the traffic, which would be so much to the canal.

Q. Can you tell me how much it costs per ton to ship coal by the Reading Railroad to Philadelphia?—A. I can tell you what it costs per mile.

Q. You mean per ton per mile?—A. Yes, sir.

Q. Well, how much?—A. I can tell you that, but I can not give the information here now. I have got the figures, and I can give them to you very readily.

Q. That is, how much the cost is per ton per mile?—A. Yes, sir; that would be the actual cost of transportation. Then, of course, we include the interest on our plant; but I could give you the cost of tra portation of a ton of coal, the actual cost, outside of terminals and terest on the plant.

Q. If I should have a car of coal at Schuylkill Haven, can you me what it would cost me per ton to transport it from there to market by your road ?—A. No; I can not tell you now. What we wo charge you, do you mean ?

Q. What I would have to pay to get the coal from there to point?—A. I do not remember what the rates are. All the rates, understand, are made by the traffic department, and there are so ma of them I can not remember the number, of course. If you will hav memorandum made of all these matters, I will be able to furnish that information.

Q. Can you tell me how many tons of coal are ordinarily loaded o car?—A. That varies very much, because we have cars that hold fr 5 to 6 tons, and we have cars that hold 25 tons. We have 4-wheel c and 8-wheel cars. The 4-wheel cars will average about 6 tons to car, and if we have one of the 8-wheel cars that will average from 12 tons, and we have another class of 8-wheel cars now that carr tons.

Q. What is the freight rate of a 25-ton car from Schuylkill Have Philadelphia?—A. We do not make any rates now from Schuyl Haven. I think the rates are all made from the mines.

Q. If I had a car loaded at Schuylkill Haven you would deliver it Philadelphia, would you not?—A. We certainly should, with pleasu

Q. Even if loaded on a 25-ton car ?—A. Yes, sir.

Q. Could you tell me what I should pay you as freight on that from there?—A. Not now, but I could tell you. The interstate co merce laws oblige us to make uniform rates. Our rates are public. will get that rate for you and present it to you subsequently.

Q. Do you regulate the price of that car from Schuylkill Haven Philadelphia by the interstate commerce law?—A. No, I am not oblig to do it.

Q. Do you do it ?—A. I think not.

Q. I see a suit was brought by a man named Kelsey, entitled Kels *vs.* The Philadelphia and Reading Railroad Company. Did you e hear of that ?—A. I have.

Q. And testimony was taken by the Philadelphia and Reading R road Company before G. M. Dallas, esq., master. Are you aware that ?—A. I think there was such a suit.

Q. Do you know a man named T. Z. Zulick ?—A. No. I think th was such a man in the employ of the canal company at one time b do not think he is employed by this company. I did not know h however.

Q. I find in the testimony delivered by Mr. Zulick, he says he for a good many years, forty years or something like it, connected w the Schuylkill Canal, and he says that the rate per ton for carry coal from Schuylkill Haven by the canal was 66 cents.—A. Where Philadelphia ?

Q. Yes.—A. What by ?

Q. Canal, in 1866; would you suppose that to be about correct ?- I could not tell you; I am not familiar with those rates at all.

Q. Your miners struck in January because you declined to conti the advance in wages allowed for the preceding four months. claim, Mr. McLeod, that they should return to the $2.50 basis in f prior to September ?—A. Yes, sir.

Q. And that they were under contract to do so?—A. Yes, sir.

Q. Can you tell what average coal was worth in Philadelphia in January?——A. This year? No, sir.

Q. Is there any man except Mr. Richards who can furnish us with that information?—A. I think not; he is the proper party.

Q. Who is the man who can furnish us with the cost of transportation?——A. I can, if you will give me time.

Q. Mr. Corbin told us when he was on the stand that when you came on the stand that you would furnish us with all that information?—A. I did not know that it was expected of me. Of course I can not carry all these figures in my head.

Q. And we were laboring under the hallucination that we would get it when you came here.—A. That is very unfortunate.

Q. Mr. Corbin, I guess, called the wrong man. Now, I will ask you this: If average coal was actually worth $2.50 at the mines in January and was worth something like double that sum in Philadelphia, and you could sell your coal in Philadelphia for something like double what it was worth at Schuylkill Haven, you would do quite a profitable business?—A. Yes, sir.

Q. Is it not a fact that you did that thing?—A. In January?

Q. Well, then, it may have been done in January.—A. If our miners had been at work?

Q. Yes, sir.—A. No; I do not believe it would.

Q. Is it not a fact that you did sell your coal in the market here for about double what it is considered to be worth at the mines?—A. No, I think not.

Q. I will ask you this, if 44½ per cent. of the selling price of coal at Philadelphia is not the sum which goes to the Reading Railroad Company?——A. I do not know of any such arrangement at all. There is a fixed rate made on all coal that goes over the road.

Q. Do you not estimate that about 55½ per cent. goes to the mining?—A. Not that I know of. I never heard of such an arrangement.

Q. There are two corporations, one engaged in mining coal and one in carrying coal, and all the stock in both corporations belongs to the same company and is managed in conjunction; that is, the stock of the mining corporation is the property of the carrying corporation. That is correct?—A. I believe it is; yes, sir.

Q. Now, if the whole business of the two corporations is profitable, it can not be material to the stockholders whether the profit appears to come from the mining business or the carrying business, can it?—A. No; I do not believe the stockholders would stop to inquire where it would come from.

Q. Then if the joint business, as in this case, of mining and carrying should show an aggregate profit of satisfactory dimensions, it would make no difference to the stockholders if the books of the mining company showed an apparent loss, and that all the profits were credited to the carrying business?—A. I do not believe it would, practically.

Q. In other words, for example, if the joint aggregate result of mining coal and carrying coal should disclose a profit, say of $2,500,000, it would be satisfactory even if the account books of the mining company should show an apparent loss?—A. No, I do not think that would make much difference. The trouble is that both have been losing money, as I understand it.

Q. Both have been losing?—A. Yes, sir.

Q. Well, really, are not these gentlemen, who are engaged in this double-geared business, a wheel within a wheel, interested in increasing the difference between the price of coal at the mines and the pr here as much as possible ?—A. Well, I suppose they like to get as hi a rate for carrying that coal as they can get.

Q. So that the profit will come in the form of freight ?—A. I do think there have been any directions given that it should be in t way.

Q. It will be to their interest to have it come in that way, woul not ?—A. Why should it ?

Q. Simply to make the profits larger ?—A. Would it make the pro larger when the coal company is owned by the railroad company ?

Q. But the cheaper the coal the less it costs you at the mines ?— The cheaper the coal at the market ?

Q. At the mines ?—A. The less it costs us ?

Q. Is not that a fact ?—A. The cheaper the coal, where ?

Q. At Schuylkill Haven. When coal is worth $2 per ton at Sch kill Haven, does it cost you as much to mine it as if it is worth there ?—A. No, not mining on that basis.

Q. Then the cheaper the coal is at Schuylkill Haven the less it co you to mine it ?—A. If that basis were lived up to, as I understand and I guess I am correct, the company has not paid below the $2 basis in a long time, and it never has been very much lower. They p the increase of wages that would come if coal was $2.50 notwithsta ing it was worth less at various times.

Q. Do not all these companies, and as a matter of fact everybod consider that the price of coal at Philadelphia and at the markets due to the high cost of transportation ?—A. I do not think they The coal that goes over our road is at the same rate that it does other roads; the same as the Lehigh district.

Q. But they are engaged in the same business ?—A. Yes, sir, though I guess there are more individual operators on other syste than on the Reading.

Q. You shipped last year nearly 6,300,000 tons of coal. Can you f nish this committee (I have no idea you can do it now) with a stateme of the net profit to you on each ton of that coal ?—A. Yes, sir.

Q. You can not do it now ?—A. Oh, no.

Q. How much was the debt of the mining company ?—A. I do know; I presume Mr. Keim is familiar with these matters.

Q. What do you know about this combination to regulate the out of coal ?—A. Nothing.

Q. Have you ever heard anything of it ?—A. Yes, sir.

Q. When ?—A. Oh, some time ago; before my connection with t company.

Q. Has there been any such combination since your connection w it ?—A. No, sir.

Q. Did you ever hear of an anthracite board of trade ?—A. Never do not know that there is such a board. I have seen it in the ne papers, but I do not know where it is.

Q. Do you not issue circulars every two or three months fixing price of coal ?—A. We have not for several months past.

Q. Had you before ?—A. We did.

Q. Since your connection with the company ?—A. Yes, sir.

Q. Why have you discontinued it ?—A. It was not necessary.

Q. Was it necessary at the time you were doing it ?—A. They see to think so—some of our people that were selling coal—for the c venience of their trade, so that they could treat every man alike. the last few months it was not necessary.

Q. How could you fix the price of coal without some understanding with the other men engaged in a like business?—A. Ever since I have been connected with the company the coal has been about the same price, except there were advances made by the sales agent from time to time without any consultation with any one, so far as I know.

Q. Sales agents are employés of the companies?—A. Yes, sir.

Q. Did not they meet together and fix the price of coal?—A. I do not know.

Q. What do you think about it?—A. I do not think they do.

Q. I have a paper here—the Public Ledger of this morning—in which I find, in the financial column, this item: "The coal sales agents." Who are they?—A. Mr. Richards is our coal sales agent.

Q. (Reading) "The coal sales agents, at their meeting in New York yesterday, all the large companies and dealers being represented, determined that as the coal supply is abundant, to make no change at present in the ruling prices." Did you have representatives at that meeting?—A. Not that I know of.

Q. Then coal sales agents are meeting now to determine whether the prices of coal shall be advanced or reduced?—A. So it states in that paper, I believe.

Q. I find this further item: "The sales agents representing the wholesale coal trade of this city held a short session at the Coal Exchange rooms in the Washington building this noon. At the close of the session the secretary announced that it had been decided to make no change in the price of coal notwithstanding the difficulties in the coal-producing regions. There seemed to be a plentiful supply on hand." Have you any reason to doubt that that statement is accurate?—A. I have no reason to doubt it; no, sir.

Q. Do you know anything about this meeting of these agents?—A. I do not.

Q. Does not your sales agent take part in these meetings?—A. I think not.

Q. Are you standing out as an independent organization without reference to what other sales agents may determine upon?—A. Yes, sir. Our sales agent had instructions not to attend any of these meetings several months ago.

Q. He was instructed not to attend them?—A. Yes, sir.

Q. From this notice it seems that the sales agents have concluded there is a very plentiful supply of coal on hand and there is no necessity for advancing the price. Mr. Whiting, when he was on the stand, thought that if your mines went to work the supply of coal would become so large that it would decrease the price. What do you think about it?—A. I think it would.

Q. Notwithstanding the fact that there is already a plenty of coal to meet the market demand?—A. Yes; if you produce more coal I say it will have a tendency to lower the price of it. That is very natural.

Q. Do you think you could afford to pay your miners the 8 per cent. advance which you were paying four months ago?—A. No, sir; we could not. I reason that the cause is, as I understand it, that in my investigations I discovered that we were paying about the same wages to our people, our miners, as other producing companies were paying. I therefore assume we could not pay this advance, and that is a matter that ought to be plain to every business man.

Q. Suppose the other companies should insist upon reducing the price 8 or 10 or 15 per cent., would you feel that you must follow them in it?—A. I should.

Q. If they should reduce it 50 per cent. you would have to fol them?—A. Yes, sir.

Q. In other words, you can not maintain your business unless y profits are equal to those of your competitors?—A. I am not figur any profits. We can conduct our business as well as our competit on an even basis, and if we pay the same rate of wages that they we could compete with them. We might not be able to do as well, I think we could, if we would be able to do no better.

Q. I can understand that, if your competitors were mining coal very much reduced price below what you were mining it for, they mi put the market down so you could not afford to mine at your prices, if you had a ruling market price so that you could make a profit on y coal you could go on with the business although your competitors mi be making larger profits, could you not?—A. Just state that again

Q. I will try to make it plainer. If, on the present basis, the one which you say your miners must go to work, the $2.50 basis, could make a fair profit on your coal, could you not continue in busi although your competitors might reduce the basis of their miners that their profit might be larger than yours? Is it necessary that y profits should be as large as your competitors in order to continue b ness?—A. The chances are if they reduce the prices of their labor t would also go on the market and undersell us unless we compete w them, and the moment we undertake to compete with them we f ourselves losing money.

Q. But if they do not reduce the market price of coal, but simply duce the cost of mining with a view to profit, you could go on with y business?—A. Oh, yes, of course; there is no question about that if t keep the price up.

Q. Now, on the basis of the present prices of coal, there are operat in the Schuylkill region who are paying the 8 per cent. generally?— I understand that is so.

Q. And have been all along since September?—A. Yes, sir.

Q. Now, if they can afford to mine coal at that advance, why you?—A. Just for the reason that the moment our mines start up th men will not pay that advance of wages. The prices will be lower that they can not afford to pay it; they will either have to reduce wages or close the organization.

Q. But you did during September, October, and November?— Yes; the Lehigh miners were out at that time. You should remem this, that there was a great demand for coal during the year 1887, greatest demand we have ever had by two or three millions of tons, all the companies were forced to their utmost to produce coal enoug supply the market, and there was no coal to amount to anything on h when the Lehigh strike occurred; therefore the price of coal wa high that we could at that time pay the 8 per cent. advance; but in meantime the Wyoming district has produced so much coal that supplying the market, and any additional production now, I th would reduce the price of coal very rapidly.

Q. That is your opinion about it?—A. Yes, sir.

Q. Since the Reading Company went into the coal-mining busi the individual operators have been pretty well squeezed out, have not?—A. That I do not know; that is before my connection with company, and I have not taken any time to look into that.

Q. In the testimony delivered by Mr. J. Lowrie Bell—who I belie an employé of your company—— A. Yes, sir.

Q. Which was delivered in the case of Kelsey *vs.* The Philadelphia and Reading Railroad Company, I find this statement: The counsel examining says:

> I hand you a statement furnished me by Mr. Kaercher, showing the shipments from 1880 to 1886, inclusive, from the Schuylkill region both by canal and rail, as I understand it.—A. That is evidently the aggregate shipments from the Schuylkill region. I see that it so states it. It shows the relation which the individual shipments bear to those of the coal and iron company.

Then follows a table, showing that in 1880 your Coal and Iron Company shipped 3,185,584.17 tons and the individual operators shipped 2,429,189.18 tons, with a constant subsequent increase of the company's shipments and a constant decrease of the individual shipments until 1886, when your company had shipped 5,126,569.03 tons and individuals only 1,157,000.14 tons. In other words, the shipments of these years by the coal and iron company were doubled, while those of individuals have decreased more than 50 per cent. Do you think that statement is accurate?—A. I should judge it was.

Q. Can you explain why it is that there has been this enormous decrease in individual mining in this short period, with a corresponding increase in corporate mining?—A. Well, I should think a great deal of it came from the fact that a good many men had not made any money at mining coal, and that I understand our company, which I have already stated here to-day have acquired many of these collieries, and that threw the tonnage into the company's production.

Q. There is another statement at this juncture to which I want to call your attention, that it may go on the record showing operations of canals in New York. Here is a table showing the receipts of grain at New York during seven months in 1886, by navigation by canal, by rail, by river and coastwise. The amount shipped by canal was 43,619,355 bushels; by rail 31,986,766 bushels; river and coastwise, 765,116 bushels. The figures showing, that during the season of navigation in 1886 the canals delivered in New York 11,632,589 bushels of grain more than the railroads, and 10,867,473 bushels more than was received by all the other routes combined. Now, do you think that if these Pennsylvania canals were kept open and operated as independent lines that corresponding results might not be obtained in the coal traffic?—A. You mean by canals; the Schuylkill canal?

Q. Yes, sir; or other system of canals? A. No, I do not.

Q Why not?—A. Well, the distance is so short I do not think it would be profitable business to unload coal at Schuylkill Haven and put it in boats and bring it through that canal. I do not think it would be found profitable.

Q. There are a number of these tables here and they all show that where they compete the aggregate of shipping is in favor of canals as against railroads, because the shipment is cheaper by canal. You think that would not obtain in Pennsylvania?—A. I do not think it would in this particular case.

Q. And you think considerations of that sort, looking to the removal of competition, had nothing to do with the railroad company obtaining control of this canal and operating it?—A. As I say, I can not tell what the motives of the railroad company were at the time it acquired this property. That is beyond my time.

Q. Do you know anything about the treatment of the miners in the Schuylkill region?—A. Very little.

Q. Have you been much about the mine?—A. Very little. These matters were intrusted to Mr. Whiting.

Q. Yes; but we were not able to get a great deal of information f Mr. Whiting. As I understand, you will not take your striking mi back, but you will negotiate with them upon their return to work A. Yes, sir.

Q. Has that been determined upon by your company?—A. I bel that is the position taken by the company.

Q. And you intend to fight it out on that line if it takes all the wi and summer?—A. That is the line.

By Mr. PARKER:

Q. Port Richmond is situated how far from Schuylkill Haven A. Ninety-three miles.

Q. What mileage of dock front have you there controlled by the road company?—A. Allow me to ask some of these gentlemen.

Q. Certainly; any way to get at it?—A. We have got eighteen pi I think.

Q. How much of dock front?—A. About three-quarters of a

Q. I have seen some statement that put it a great deal higher, call your attention to it especially.—A. I think that is about th quarters of a mile. That is my recollection of it.

Q. How much railroad tracking have you there in connection these dock fronts and switches, connected with railroad operation?- There are many miles.

Q. Twenty-five or thirty?—A. I should think so.

Q. I have seen it stated as being 32 miles?—A. I should think t would be very nearly right.

Q. What other local property have you there besides the dock fro at Port Richmond in that connection?—A. We have not any other pr erty that I call to mind.

Q. How many colliers ran in connection with them, receiving transshipping at that point?—A. Twelve now.

Q. By whose men are they manned?—A. The railroad compan The railroad company owns them.

Q. What number of men are required upon them, on the twelve; g the aggregate.—A. About 1,300.

Q. You mean on the voyages?—A. On the vessels.

Q. On their trips?—A. Yes, I think that is about the number; 1, employed on the vessels.

Q. Approximately?—A. Let me see; I think I have got a memor dum of that. No, I guess I am wrong about that. I have got 1,300 my mind of some other matters. There may not be that many.

Q. So there would not be that many?—A. No; there would be have not got that memorandum.

Q. Well, they would aggregate about how many; I do not care to exact?—A. I suppose there is 150 men altogether.

Q. Employed on the 12 vessels?—A. Yes.

Q. And run to different points?—A. Yes, sir.

Q. Do a great many run to any one point?—A. They run to Bos and such points more than any others.

Q. Not upon any regular line?—A. No, sir.

Q. And deliver nothing but coal?—A. Nothing but coal.

Q. Any freights back?—A. No freights back.

Q. How long have you known these colliers to be in use substanti as now?—A. Since I became connected with the company.

Q. How do you manage this fleet; is the commodore charged with supervision of the officers and the control and management of the colliers?——A. Yes; Capt. Jack D. Gallagher.

Q. He has an office here and remains on shore?—A. Yes; he has charge of that department.

Q. He has the management of that fleet?—A. Yes, sir.

Q. Can you give me an approximate estimate of what is the aggregate value of those vessels?—A. No; I can not.

Q. Nothing that you would be willing—— A. I think some of them cost—allow me to consult Mr. Keim?

Q. Certainly.—A. It will be about $100,000 apiece.

Q. And were all especially for this trade?—A. Yes, sir.

Q. And built under the Reading Railroad Company?—A. Yes, sir; I suppose they were; they were working before I came here.

Q. Do you know how long they have been running?—A. No; I do not. I can get you the information.

Q. I will not trouble you for it if you have not got it here. What knowledge have you, if any, or of any understanding at any time within the past year that men employed by the railroad company should not be discharged without a hearing and adjudication upon their case, and is that a fact?—A. We have never had any such understanding. That would be preposterous. We never should enter into an agreement that we should never discharge men without an investigation.

Q. I wished you to have an opportunity of admitting it or contradicting it. It has been stated to us as a fact.—A. It is not so.

Q. You are acquainted with "Saward" as a coal writer, are you not? You know something of him; he is author of the Coal Trade and the Coal Trade Journal.—A. I have heard of him in that way.

Q. Mr. J. H. Jones is an accountant here in Philadelphia, and he has had much to do with the accounts and statistics of the production of anthracite coal?—A. Yes, sir.

Q. Now, I will read you from page 39 of Saward's pamphlet:

> Production of anthracite coal. The business of the several districts was as below in the years named, as reported by Mr. J. H. Jones, the official accountant: Division of [illegible], 1884 to 1886. Philadelphia and Reading Railroad, tons in 1884 [illegible] 163,920; [illegible] 1885, 11,689,789, tons in 1886, 11,630,483.

Do you believe that to be a correct statement of the number of tons handled by the Reading Company of coal during these years?—A. I have no doubt it is; but it included the tonnage of the Jersey Central Railroad, which was then leased to the Reading Railroad.

Q. Now, the question I wish to ask you is, what has been the tonnage for the year 1887?—A. About 7,000,000, something over 7,000,000; the tonnage of anthracite, I presume.

Q. Now, what has been the cause of the decrease?—A. Because, as I stated before, the tonnage you referred to included the coal tonnage of the New Jersey Central, which was then leased to the Reading Railroad. There has been no decrease in the Reading tonnage, but there has been a decrease in the tonnage of the railroad.

Q. I do not understand that in connection with this statement?—A. Well, at the time that statement was made the Reading Railroad and the New Jersey Central, which is a large anthracite producing company, was leased to the Reading, and it was returned as the Philadelphia and Reading Railroad, as I understand. On the 1st of January, 1887, the New Jersey Central took charge of its own property, and since then it has been operated as a separate property, and its tonnage did not appear in our statement in 1887.

By Mr. CHIPMAN:

Q .You say you shipped about 100,000 tons by canal this year?- I think that is about all. It is somewhere from sixty to a hund thousand.

Q. How did you come to do that?—A. Because it was required the canal.

Q. Was it shipped for use along the canal or for use here?—A. It shipped to local points on the canal. We could reach them better t way than any other way.

Q. How much business is that canal doing?—A. I shall have to r to our books for that.

Q. About what; you should have some general idea?—A. I shc say it is $15,000 or $20,000, or $30,000 a month.

Q. You say the canal is about 40 miles from your mines?—A. an average of 40.

Q. How far from your railroad?—A. It is parallel with the railro practically.

Q. How does your railroad reach the mines?—A. Well, I believ a trailing form.

Q. You know what I mean. The canal is about 40 miles from mines; how near is it to the railroad?—A. I said it was parallel.

Q. Well, they might be parallel 100 miles apart; how near are tl together?—A. Probably they are not more than a mile apart in part.

Q. Does your railroad have spur lines on the main line?—A. Yes,

Q. That is all I wanted to know. I will ask you one more questi Could you give me a reason for your feeling against these 2,600 m We have Mr. Corbin's, and I would like to have yours.—A. My rea is that those men attempted to hinder the Reading Railroad by cr ing a strike, and we think that is sufficient ground for their discha and when we discharge a man we are not very likely to take him b in the service of the company, because we never discharge them w out cause.

Q. These men went out?—A. They left of their own accord.

Q. But all the others went out, did they not?—A. Miners?

Q. No; the other men who left the employ of the company; they went out of their own accord?—A. No; not all of them; we dischar some of them, but the great majority of them left of their own acco

By Mr. ANDERSON:

Q. What percentage of the freight business of your road this sid Schuylkill Haven consists of coal; about how much, approximately A. Of the gross receipts?

Q. Yes; gross receipts.—A. About half of it.

Q. Now, of course in managing a road one fundamental principl believe, is that of having as much business as possible for the pur of making as much money as possible, and upon that principle wou not have been well for the company to have maintained this cus which it derived from the coal company in the matter of hauling freights?—A. Certainly. Please state that again.

Q. Perhaps I can make my idea a little clearer. Say 50 per cen the profits made ordinarily annually consists of coal, and because strike or lockout they are decreased 50 per cent. Now, looking a simply from the standpoint of a railroad manager acting as a trustee the stockholders and owners of the railroad property, would it not b been wise for you, in your judgment, to have obviated that strike the purpose of continuing your ordinary earnings?—A. If it had been framed upon such terms that we could have obviated it.

Q. In what respect?—A. If we were obliged to pay the miners an advance that would put us at a disadvantage with our competitors, I think it would have been unwise to have made any such terms.

Q. As a coal company?—A. Yes, sir.

Q. Then really, in this case, the interest of the railroad company has been to an extent sacrificed to the interest of the coal property?—A. Yes, sir.

Q. The railroad company owns the coal property?—A. Yes.

Q. Do you think that the losses which have been occasioned by this withdrawal of freight will be greater than the mere matter of pride in the case?—A. It is not pride. This is a question of business, not pride at all. We have no personal feeling in the matter at all.

Q. It is simply a question of money?—A. Yes.

Q. And you expect in the end to make more money by losing that freight so long as the strike shall last, and you expect it to make up then?—A. No; I did not say that: but if we accede to the miners' demands we probably would lose a great deal of money. We want to avoid that. We are choosing the lesser of the two evils, in our judgment.

Q. Well, there is another question: Did you ever play the game of battledoor and shuttlecock?—A. No.

vestigation has been, is holding the battledoor; in other words, we are a sort of shuttlecock between you gentlemen; but we have yet to know what sort of a battledoor Mr. Keim is. What I want to get at is, what is the official relation between you and Mr. Corbin? In other words, what are your duties as general manager of the railroad company and what are his duties; then I would like to know what are the precise duties of Mr. Keim, who is president of the coal company, and what are your duties as general manager of the coal company distinct from Mr. Keim; then your duties as distinct from Mr. Whiting, the general superintendent?—A. Well, I am chief executive officer under Mr. Corbin for the railroad company and under Mr. Keim for the coal company.

Q. What are your duties as chief executive officer of the railroad company? Have you charge of all the operations of the road?—A. I have charge of all the operations, and the heads of all the departments report to me.

Q. To whom shall we apply for the freights charged on coal from Schuylkill Haven, say to Philadelphia, or any other place?—A. Our general traffic manager may be able to give these rates.

Q. What is his name?—A. J. Lowrie Bell.

Q. Would he refer us to anybody else if we ask these questions?—A. I think not; this is his particular duty.

Q. Mr. Whiting said this morning that sometimes he consulted with you and sometimes with Mr. Keim. Upon what subject would Mr. Whiting naturally consult with you; what is your relation to him, officially, I am speaking, of course?—A. Well, Mr. Whiting consults me on the physical operation of his company.

Q. What do you mean by physical?—A. Well, purchase of supplies; his requests come through me.

Q. Requests for what?—A. For supplies, etc.

Q. By whose orders would cars be furnished at times to receive the coal as delivered by Mr. Whiting at the mines, or Schuylkill Haven, say ?—A. The operations of the trains, as you are aware, are under tl superintendent of the company. That is, special orders are issued l me to the general superintendent, who carries out the details of tl operations of the trains.

Q. Does the general superintendent, or do you, ask that on such day so many empty cars shall be delivered at Schuylkill Haven ?— No, sir; we have one man who makes the distribution of cars.

Q. What is his name ?—A. A. A. Hesse.

Q. What is his position ?—A. He has no title. He is located at Schuy kill Haven, and as the cars pass there he distributes them and orde so many cars to the various collieries each day.

Q. Is he under Mr. Sweigard ?—A. Yes, sir; directly.

Q. When Judge Parker asked in regard to the vessels I did not he your reply. The vessels I am speaking of that transport your coal fr Port Richmond; are they owned by the railroad company or by coal company ?—A. The railroad company.

Q. Does the coal company own any railroad cars ?—A. None wh ever.

Q. They own no engines, then, and no means of transportation ?— I beg your pardon, Mr. Whiting says we have got one or two; he sa it has one shifting engine.

Q. I mean engines to haul the cars of the coal company from the du or breakers, whatever you call it ?—A. No; we have no use for the because we have no tracks.

Q. Since your connection with the company has the coal compan ever owned any cars, engines, or vessels for the transportation of i coal as distinct from the Reading Railroad Company ?—A. No, sir.

Q. There is now simply another thing I want to know. Say a trai comes down your road with the coal that Mr. Whiting has furnished f Philadelphia; that a portion of it is going to Port Richmond and the to be loaded into vessels, and a portion of it is to be delivered for th city trade here to your wholesale dealer, wherever it is delivered. want to know something about the arrangement of the tracks. Ho much farther would a car delivered to a wholesale dealer here in Phi adelphia, or rather how much less would be the distance traveled if was delivered to the wholesale dealer here than if it went to Port Ricl mond ? What is the distance of the haul ?—A. It is practically the sam

Q. In linear distance ?—A. I should think so; yes. Of course t expense of getting it into the city is very much greater than Port Ric mond.

Q. Why ?—A. Because there is always greater expense to get insi a densely crowded city like Philadelphia.

Q. Do you deliver by engines or horses ?—A. By engines.

Q. What difference is there in the handling of switches of a car comi in Philadelphia and one going to Port Richmond ?—A. That I could tell you without going into the cost of it and going into the details.

Q. Where does your track run through Philadelphia that com to Philadelphia ? Is that the only way in which a Philadelphia c comes ?—A. With coal, you mean ?

Q. Yes.—A. Yes; until it leaves a certain point.

Q. So, then, if this is to be delivered at Market street or any stree would it not be switched off on that given street, and would that be th only switching ?—A. No. You see the trains run down to Port Rich mond without breaking.

Q. Do you then run trains expressly for the Philadelphia trade ?—A We have two switches for coal established at the Falls up there an connection at other junction points for the various stations in the city.

Q. Ordinarily do you have your cars designed for the Philadelphia trade embraced in one train?—A. As far as possible to do so.

Q. And to Port Richmond?—A. As far as it is possible to do so?

By the CHAIRMAN:

Q. Do you ride over the Reading Railroad from here to the mines as often as once a week or once a fortnight?—A. Yes, sir.

Q. Since the strike of the railroad employés on the 27th of December, or the 24th, whichever day you may choose to put it, have there not been a great many accidents on the road with your new hands running trains; in other words, have not a great many cars and locomotives been badly injured and destroyed by wrecks caused from inexpert engineers and firemen?—A. I think not; I do not regard it so.

Q. Have not a great many more occurred than before the strike?—A. I think not; I do not think there have been as many.

Q. I see, sir, here a book before me known as the Travelers' Official Guide of the railway and steam navigation lines in the United States and Canada. Under the title of Philadelphia and Reading Railroad your title is put down as vice-president and general manager, and I believe that it is an admitted fact that you are the only officer of the Reading Railroad Company who is also an officer of the Reading Coal and Iron Company; is that a fact?—A. It is not.

Q. What other officer holds a position under both companies?—A. The treasurer.

Q. Please, sir, tell us what salary the Reading Railroad Company pays you as vice-president and general manager.—A. Well, I would rather not answer that question.

Q. Just as you like, sir; it depends upon the officials of the company whether they answer the questions this committee put to them or not. Will you tell the committee what salary the Reading Coal and Iron Mining Company pays you as general manager?—A. They pay me no salary whatever.

Q. You work for nothing?—A. I do.

Q. Do you refuse to answer as to what salary you get as vice-president and general manager of the Reading Railroad? I simply want you to say whether you decline to answer or not.—A. Would you allow me to consult Mr. Kaercher a moment?

Q. No, sir; we will have no attorneys before this committee?—A. I think it is a private matter.

Q. Do you think it is a private matter to tell us what salary is paid Mr. Corbin as president of the railroad company?—A. I do.

Q. I notice under the title of Philadelphia and Reading Railroad Company in this book, which I suppose is acknowledged to be the standard guide among all rail and water transportation companies of the United States, that there are 25 officers put here as belonging to this company. I see you are classed as general manager and Mr. Held as assistant general manager to you. Will you tell the committee what duties Mr. Held performs as assistant general manager to yourself?—A. He performs various duties in the way of looking after details in my office.

Q. Well, in addition to that, I notice Mr. J. Lowrie Bell is put down as general traffic manager. Will you tell the committee what the assistant manager and general traffic manager get as salaries, and what duties they perform?—A. I believe Mr. Bell gets $12,000 a year.

Q. As general traffic manager. Well, can you tell us what your assistant general manager gets?—A. He gets $6,000.

Q. Have you any objections to telling us what each of these 25 officers put down here as purchasing agent, real estate agent, forwarding agent, general passenger agent—they all have titles—have you any objection to telling us what they all get, or can you give us the information?—A. In the first place I could not recollect what they all get, and in the next, I do not think I should do it.

Q. Can you put us in possession of any document or report that will do it?—A. I could, but it seems to me that is a private matter that I ought not to answer.

Q. You did not object to telling us what one was.—A. I thought that it was only one you wished. I did not know at that time how far you were going into this matter.

Q. You could not even give the committee the aggregate salaries paid to these 25 executive officers of this company?—A. No, sir; I could not.

Q. Nor would you furnish us with any publication that would?—A. No, sir.

Q. How long since the reorganization occurred subsequent to the termination of the receivership; when those officers were elected or appointed to the positions they now hold?—A. A great many of these men were officers under the receivers, and were simply continued by the president of the road, when it was taken out of the hands of the receivers, in their respective positions.

Q. Will you tell the committee whether or not the compensation or salaries of these officers have been generally increased since this reorganization, or whether these have been continued at the old rates?—A. As a rule, they have been continued at the old rates.

Q. What officers are paid higher rates?—A. I can not recollect.

Q. Is there no document by which you could refesh your memory?—A. I have not anything here.

Q. You do not care to tell the committee either to-night or to-morrow anything in respect to that question?—A. Well, I do not think I should.

Q. I could ask a good many other questions, but if the committee propose to put Mr. Keim up I will defer them.

By Mr. ANDERSON:

Q. You said that requests for supplies made by Mr. Whiting came through you?—A. Yes, sir.

Q. Do directions come from you or through you to him as to the amount of coal to be mined and work to be performed during a month? From whom do these directions go to Mr. Whiting?—A. He mines all he can, and does not require directions.

Q. In other words, he does not want any money. The paymaster, he pays the wage rolls and you furnish the supplies, and all he has got to do is to keep the men at work and spend money?—A. Mr. Whiting handles no money.

Q. I did not mean he personally handled it, but what I wanted to get at was, whether you, or Mr. Keim, as president of the coal company, or Mr. Corbin, as president of the combined companies, gave any instructions, or suggestions, or advice, in this matter, as to the amount of money he should expend in mining in a given month?—A. No, sir; Mr. Whiting consults me. We confer with each other as to the best methods of producing our coal at the minimum expense in a general way.

Q. That would be natural; but suppose you and he should conclude you should open a new mine and obtain coal more cheaply than now.

such a case would he or would you, or would you two jointly, open that mine, or would you refer that question to anybody else?—A. That would not be done without consulting Mr. Keim.

Q. You would refer that to him?—A. Certainly.

Q. And whatever he decided you would do?—A. Yes, sir.

Q. Would he do that, or refer it to Mr. Corbin?—A. I do not know.

Q. That is out of your department?—A. Yes, that is out of my department.

TESTIMONY OF GEORGE deB. KEIM.

George deB. Keim sworn and examined.

By Mr. Stone:

Q. Where were you born?—A. In Reading, Berks County, Pa.

Q. What is your age?—A. I am fifty-seven years of age.

Q. What official position do you hold in the Philadelphia and Reading Coal and Iron Company?—A. I am at present the president. I have been so since the election in January.

Q. How long have you been connected in any capacity with that company?—A. I think that company was incorporated in 1871—but I am talking without memoranda—and some time, I should think the latter part of 1871 or the beginning of 1872; I was then residing at Pottsville, Pa., and I was connected with this company. After the organization of the company we purchased coal lands and collieries, larger and smaller bodies of land, and I was engaged, not in the purchase so much, but in the carrying out of the details of the purchases, the examination of the titles, and in general matters connected with the inauguration of the enterprise. I came to Philadelphia, I think, about 1874.

Q. Do you reside here now?—A. I am residing in Philadelphia now. Since that time I have been connected with the railroad and with the coal and iron company in various capacities.

Q. You have been practically connected with it then since its organization?—A. As I say, in certain lines. I have had possibly more knowledge of the practical workings of the collieries and the mines that were made from time to time, and the lease of collieries, and the purchase of collieries, and matters of that kind.

Q. When this company was organized what was the amount of its capital stock?—A. I can not tell you that without some reference. I do not know at the date the charter was being obtained. I may have owned five shares in a representative capacity, as a director or something of that kind. I may have done so, but I can not tell, without reference, as to the amount of capital stock at that time.

Q. Did you own those shares, or control those shares, soon after the organization?—A. I say I do not know whether I did or not. I say I may have owned them. I was vice-president at one time of the company. I would have to go to the secretary's office to see.

Q. Could you tell us approximately the number of shareholders about the date of organization?—A. I can tell you nothing about that, because I had nothing to do with it.

Q. Can you tell us who was president of the company in 1871, 1872, 1873, and 1874?—A. I can tell you, in 1871. I do not know who was after that. Do you mean of the coal and iron company? Of the Philadelphi aand Reading Coal and Iron Company, Mr. Gowen was the president of the company.

Q. When did it become the Philadelphia and Reading Coal and Iron

Company?—A. I see that the name was changed. The charter w obtained the 18th of May 1871, and on the 12th of December, 1871, the action of the court of common pleas the name was changed.

Mr. CHIPMAN. What was the original name?

The WITNESS. The Laurel Run Improvement Company.

By Mr. STONE:

Q. What was the occasion of this change of name? —A. To that I c give you no answer. I do not know.

Q. When did the Philadelphia and Reading Railroad Company into the business of this mining company?—A. It was prior to tl time. I should say it was prior to the change of name.

Q. What year?—A. 1871, I should say.

Q. Well, how did the Philadelphia and Reading Railroad Compa secure control of the mining company?—A. By subscribing, I sho think, to the stock.

Q. By subscribing for the stock?—A. By paying for the stock.

Q. They purchased it from the subscribers?—A. That I can not t you.

Q. Was this company engaged in mining under the name of the La rel Run Company before the Reading Railroad Company had anythi to do with it?—A. I think not, although I can not tell you anythi about that, whether there was a purchase made in the name of tl Laurel Run Improvement Company. The purchases I made under i structions were all for the Philadelphia and Reading Coal and Ir Company.

Q. Were the persons named in the original charter connected wi the Reading Railroad?—A. Will you allow me to look at the names the persons mentioned in the original charter? [Looks at charte Not to my knowledge. I do not recognize any names there.

Q. It was organized then as an independent corporation, without co nection with the Reading Railroad Company?—A. Well, as far as know.

Q. Mr. Anderson suggests that I ask you whether you know if tl Reading Railroad Company had, prior to the organization of the Lau Run company, endeavored to secure a charter as a mining compa from the legislature?—A. It may have been so, but I do not know I never was directly or indirectly interested in securing that charter had anything to do with that charter. I was employed for the purpo of carrying out the details of the purchase of those lands, and the co veyance to the company.

Q. By whom were you employed?—A. By Mr. Gowen.

Q. Mr. Gowen was then president of the Reading Railroad Co pany?—A. Yes, sir.

Q. That was after the absorption of the mining company?—A. I c not tell you whether it was or not.

Q. At the time of the absorption of the mining company by t railroad company, what properties did the mining company own, a prior to that?—A. I can not tell you that. I do not know that owned any. I can not tell you.

Q. Do you know whether any coal was mined by this company fore the railroad company came into control of its business?—A. I not.

Q. Do you know what reason the railroad company had for buy this mining stock?—A. I do not know the reason, but I can presu what the reason was. At the time, or about that time, I lived

Schuylkill County. The carrying companies in every direction had become connected with the mining companies and held their tonnage. In the Schuylkill region, in which the Reading had been built, other carrying companies had come. The Lehigh Valley had come and owned bodies of land, and the Pennsylvania Railroad in the Wyoming region.

Q. They did it as a matter of self-defense ?—A. And, again, the Pennsylvania Railroad was in the Schuylkill Basin, and the Northern Central Railroad was built in there, and I think there was a combination made or considered by certain railroad companies to build a railroad completely through the lower Schuylkill Basin right across the Reading to the west end of county. If that had been built it would have been built in the interest of the carrying companies, but in connection with that I understand the old Manhattan Coal Company were ready to assist and go over the Reading. I think it was on that account this movement was made.

Q. They were made on account of this ?—A. They were made to secure tonnage.

Q. Do you know what the Reading Railroad Company paid for the stock of the mining company ?—A. I do not.

Q. You bought the lands largely for the railroad company ?—A. No; I simply carried out the contracts. The purchase of the lands was generally made by Mr. Gowen, and the contracts for them were then executed by me. There were a good many difficulties always in them, mainly overlapping warrants and embarrassments, and I attended simply to carrying out the conditions of the contracts, bonds given and deeds made, and also in regard to the collieries.

Q. How much land did you have anything to do with in taking deeds for ?—A. In having conveyances made to the Philadelphia and Reading Coal and Iron Company ?

Q. How much land ?—A. I can not give you that, but it is a large majority of the whole.

Q. The larger part ?—A. Were made by me.

Q. About what years were these purchases made and completed ?—A. I should have to refer to the deeds to give it exactly. I should say 1872, 1873, 1874, 1875, along there.

Q. What was the price generally paid for these lands ?—A. The prices varied very much.

Q. Well, give us the extremes and an average.—A. I can not give you an average from memory. There is one tract, the William Jones tract at Shamokin, probably we paid $750, possibly $1,000 per acre. That had underlying, and readily accessible, the finest quality of coal. Many other lands were purchased at low rates.

Q. What do you mean by low rates ?—A. As low as $60 was sometimes given in the purchase of a tract of land. Of course that might be of trifling value to the acreage, and the coal would be small to the acreage, and that would determine the price.

Q. Was there much competition by the persons seeking to purchase these lands ?—A. I do not think there was much competition. There was competition as to some tracts. For instance, there were efforts made for the Mason and Williams land by the Northern Central, and it put up the price for that land. This scheme was abandoned, you know, of going in there. It was talked of, but abandoned. I always looked upon it as not intended to be built.

Q. I will ask you a question suggested by Judge Chipman: whether other railroad corporations or any men were seeking to purchase these lands; if they were much in demand?—A. Well, the lands were in demand, but as a general answer to that I should say no.

Q. Can you form something like an estimate as to the probable average cost of these lands?—A. No, I can not form an estimate, but I can get an estimate. That would be better, and I can have it made for you.

Q. Did the Reading Company buy these lands with a view of heading off other people from securing them?—A. Other individuals?

Q. Well, or companies—other railroads coming in there?—A. The purpose was, as I stated, to secure their tonnage against some road coming in there.

Q. And they secured the lands to prevent the control of the tonnage that would come out of these lands?—A. Yes. After they had so much delay in reaching the coal they did not want the tonnage taken by other roads.

Q. Hence they wanted to control the lands?—A. They wanted to control the lands for the purpose of controlling the tonnage. You asked me the reason; that is my reason.

Q I understand; that is a very good reason, and probably a correct one. Can you tell the committee about how much these lands cost in the aggregate?—A. I can not; it is a matter which is easy to be reached accurately.

Q. You say we could reach that accurately?—A. The secretary of the Coal and Iron Company could furnish that information without very much trouble.

Q. Where is he?—A. At the Philadelphia Railroad Company's office; secretary of the Coal and Iron Company, 227 South Fourth street. I should say he broke his leg a little while ago, but I do not suppose that it will be any trouble to get these facts. Somebody else can make up the information. His books are a thorough record of everything.

Q. The capital stock of this company was $8,000,000?—A. I know $8,000,000 of capital stock are owned by the Reading Railroad Company; I suppose that represents all the stock.

Q. Mr. Corbin stated that was it?—A. That is my impression.

Q. That stock was paid up in full?—A. Yes, sir.

Q. Eight million dollars was paid to the treasurer of this company?—A. Yes, sir.

Q. Was that money used to purchase these lands?—A. Yes, it was used for the purpose of purchasing these lands and operating the company, and generally for the uses of the company.

Q. Was the stock taken—I believe, though, you said you could not answer that, as to whether the stock was taken by the railroad company in the first instance?—A. I could not tell you that.

Q. Can you tell whether the railroad company advanced the $8,000,000 to pay for the stock?—A. I have no doubt as to the railroad company advancing it to the coal company for the purpose of enabling them to procure these coal lands.

Mr. CHIPMAN. The act of incorporation fixes the capital stock at 20,000 shares at $50 a share.

By Mr. STONE:

Q. Did the Coal and Iron Company create a debt in addition to the $8,000,000 in order to purchase these lands?—A. The Coal and Iron Company created a debt of $10,000,000 or $12,000,000 which are known as divisible coal land bonds, and secured by specific mortgages on various tracts which were bought on credit and on which were probably paid no principal.

Do you know how much they bought for credit and how much for
?—A. I do not. I can readily turn to that and get that informa-
.

I mean the relative proportion.—A. No, I do not.

My attention is called to the fact that the capital stock of the
ing company is placed at 20,000 shares at a par value of $50 a
e?—A. (Reading from charter of Philadelphia and Reading Coal
Iron Company:)

d the president and directors shall have power, from time to time, to issue such
lditional amount of stock as they deem necessary.

r. **Chipman.** If they capitalize that $8,000,000 it is two millions
?

he **Witness.** Oh, yes; it would be ten millions.

By Mr. **Stone**:

Twenty thousand shares at $50 a share would be a million dol-
; and that is why I ask the question.—A. A million dollars could
issued, but "the president and directors shall have power, from
e to time, to issue such an additional amount of stock as they
deem necessary," etc.

You say you can furnish us with the amount of cash invested by
railroad company in the lands of the mining company?—A. I can
nish the amount of the cost of the lands of the Coal and Iron Com-
y, and the manner in which they were paid for, if you will have a
morandum made.

Did the railroad company through this mining company, begin
work of mining at once?—A. As far back as 1872–'73, along there.
hink when the mining company purchased the collieries and lands
mining company operated them under the title of the Philadelphia
l Reading Coal and Iron Company. I do not know when the first
ning commenced, but I should think about the year 1872.

Had you anything to do with the mining on these lands at that
e?—A. No; I had to do with the purchase of the lands and the col-
ies. There were a great many questions involved in them, and the
ef engineer was consulted in many instances.

Do you know what the miners received, what system was in force
that time?—A. I think they were paid under contract, or they were
d by the month without reference to basis; that is my impression.
is only an impression, but I think it is the correct impression.

Was there not a system in operation by which the miner received
much per yard for coal mined?—A. I can not tell you as to that.

You do not know anything about that?—A. No. That is a ques-
n which can not be answered by me, but it is one that can be an-
ered.

How much is the debt of the Coal and Iron Company as distinct
m the railroad company?—A. I could not be exact as to that.

I wish you would have me a statement made of that, and the
m of the debt, and how secured, and the rate of interest.

The **Chairman.** Is it not over $35,000,000?

The **Witness.** Well, there are eleven or twelve millions of these divis-
e land mortgages, and there were some debenture bonds which have
n exchanged for securities of the railroad company.

By Mr. **Stone**:

The bonds of the company, as a rule, bear about 4 per cent., do
not?—A. No; the bonds of the Coal and Iron Company are

called divisible coal-land bonds, and these are still outstanding, a as I said, were created by contract with the individuals who sold. rate of interest at that time was 7 per cent., and they were secured the Reading Railroad Company. These bonds had twenty years to r and were guarantied by the Reading Railroad Company, and I thi there are some $11,000,000 of these still outstanding.

Q. You mean outstanding as against the Reading Railroad Company? A. As against the Coal and Iron Company.

Q. What about the railroad company?—A. Well, they guaranti them.

Q. Have they passed into the control or possession of the railro company?—A. No; they are still outstanding and are, under this pl of reconstruction, to be dealt with at a subsequent time.

Q. Do you know who owns them?—A. Well, those bonds are sc tered in all directions. They are held in large and small quantities all directions.

Q. The railroad guarantied the payment of these bonds at the d of issue?—A. Yes, sir; many of them. I am not sure, but I thi nearly all of them.

Q. The great bulk of the indebtedness of this Coal and Iron Compa bears a less per cent. than 7 per cent. There is none that bear th except these debenture bonds which you speak of?—A. I do not kn of any other debt now the company has after these debentures. I not know of any other debt except the two mortgages which were pla upon these lands and made to trustees, securing the bonds for the b efit of the Reading Railroad, covering advances made by the Read Railroad on these various purchases. The Reading raised a great d of money and paid out a great deal of money for these lands.

Q. I understand that, but we are informed that there is a total debtedness of the Coal and Iron Company of some thirty odd millio and about $11,000,000 of that I gather from you is bearing 7 per c What are the twenty odd millions bearing?—A. I do not know. I co not be correct about that unless I had a statement. My impressio as I said, that there were 7 per cent. debenture bonds, and under plan of reorganization are to be converted into non-interest bea security. It is only a second or third mortgage say, and if they do earn the money they do not get the interest. Then my impressio that there are two mortgages, two bonds secured by different m gages, given by the Reading Coal and Iron Company for the be of the Reading Railroad Company.

Q. Can you tell, Mr. Keim, about how much money this Coal Iron Company is required to pay annually as interest on its debt A. I can not tell you that without looking at a statement. I do think it is more than seven or eight hundred thousand dollars a y Will you permit me to ask?

Q. Certainly.—A. From outside parties I find I am correct, it is interested in these divisible coal-land bonds.

Q. To the railroad company?—A. Yes.

Q. And from what you learn from outside parties, to whom yo ferred, you say you think——A. They are but $800,000 a year. A understand in the plan of reconstruction that these bonds are no bear that much, but are to be made non-interest bonds, the rat interest depending upon what is left over the fixed charges. I did bring any statements with me or papers, but if you will ask for thing you desire I will endeavor to get it.

Q. I was trying to get at this: With the moneys made by this c pany in a given year, say 1887, how much of it would have to be appropriated to meet its current interests to outside parties?—A. I do not know of any charges other than a fund to provide for the depreciation of the land. There should be a sinking fund, because there is a limit when the coal will be exhausted.

Q. Has the value of the land decreased already below what you paid for it when you first bought it?—A. I should say no.

Q. Do you think the lands to-day are worth what they cost?—A. More, I should say.

Q. What per cent. more?—A. That is a difficult thing for me to answer. I can not answer that in detail unless I went over the land, and then it would be hard to get. I think the larger demand for coal consumed, and the interest has become more important, and therefore I think it has an increased value.

Q. Now, I want to ask you something about your relations with the miners. The basis of your contracts with your miners has been $2.50 a ton?——A. Yes, sir.

Q. When the price of coal at the mines is $2.50 per ton, neither more nor less, what do you pay these miners for getting out a ton of coal?—A. I made a small memorandum of that. [Refers to memorandum.] The miner would get $12, the outside laborer $8.10, and the inside laborer $10.20 per week, and I believe the memorandum to be correct.

Q. I was trying to ascertain how many tons a miner could ordinarily produce?—A. These are facts that can be reached, but I can not tell you. The tons of coal that a miner will produce, as you know, vary at every mine largely; it varies with the character of the vein. Some coal is very hard and some is soft.

Q. Well, we will take your basis of calculation.—A. It is the simple fact that on this $2.50 basis our miners receive $12 a week.

Q. What do you mean by outside laborers?—A. Those that are not underground—those at the breaker and between the slope.

Q. They make how much?—A. Eight dollars and ten cents, and the inside laborer makes $10.20.

Q. What do the inside laborers do?—A. There are a great many divisions of inside laborers, all connected with the miner, fire bosses, and drivers, and those who do the timbering, and all that kind of thing in keeping the underground facilities for producing coal.

Q. At $2.50 then, at the mines, the miner can make $12 a week or $48 to $50 a month?—A. Yes, sir.

Q. If it goes above $2.50 he gets a third of the increase?—A. Yes, sir.

Q. And loses a third if it goes below?—A. I am only talking in a general way, because you have had the proper party, Mr. Whiting. He can give you all the details.

Q. How long has that been the basis of your company?—A. I can not tell you that, but I think from 1875—1875, I think.

Q. How long did you pay higher than this, leaving out this recent 5 per cent.?—A. I can not tell you how long we paid above the basis.

Q. How long did you have the basis above $2.50?—A. I do not know. I do not know whether we have ever had a higher basis than $2.50.

Q. How many hours would ordinarily constitute the work of a miner to enable him to make $12 a week?—A. I think they work ten hours a day, except Saturday, when it is eight.

Q. To make $12 a week he must mine so many tons of coal, and the man who mines the most coal makes the most money?—A. If he worked by contract he would. I can not answer that question.

Q. How do you ascertain the amount due a miner for a week's work? A. Well, that is a matter that is entirely in Mr. Whiting's departme He pays people to measure the work and to make their returns to hi It is made up there by a man whose business it is to measure this

Q. Mr. Whiting might have explained that, but I did not hear hi Can you tell what it costs the mining company, when coal is worth $2 at the mines, to mine a ton of coal?—A. I can not tell now. I c turn to our general monthly statement, in which you can see the sta ment for every month. We can have a statement made up showi exactly what it costs.

Q. You can not tell now?—A. I can not without this statement w prepared in the secretary's office.

Q. Do you sell coal by the ton?—A. Yes, sir.

Q. Do you pay by the ton?—A. Yes; in order to fix its cost.

Q. Will you give us the expenses of putting it on your cars from t very time the picks first strike it?—A. I do not think there is a char made for an investment of capital. I do not think we made any char for the investment of capital.

Q. Do you say you can not give me the items?—A. From memory, n sir.

Q. Or aggregate?—A. No, sir. Our general reports will show wh our coal costs.

Q. Are the statements contained in these wholly correct?—A. I b them to be thoroughly correct. These run back to the very incepti of this company, and that gives you in detail every item.

Q. Then will these books, which Mr. Whiting furnished at the reque of the committee, show what profits or losses will be to the mini company if you shall sell coal at $2.50 per ton at Schuylkill Haven? A. Yes, because I think you can take the statement there and find t average of coal and see the average of wages there, and if you ta that tonnage at $2.50 I think you will be able to tell.

Q. I may be entirely at error about this whole business, but it see to me that if you sell coal at $2.50 at Schuylkill Haven, you ought know just what it costs you and how much you make.—A. We do kn to a penny.

Q. Now, under the arrangement on which you desire the miners return to work, on the $2.50 basis, would you lose or gain by selli coal at Schuylkill Haven at $2.50?—A. Well, it depends upon t market.

Q. You bring out coal from the mines and load it on a car of 25 t and sell it to me there on the track at $2.50 a ton; would you realiz profit or not?—A. I should think we would realize some profit.

Q. About how much a ton?—A. I can not tell you that. These questions I would have to look at.

Q. Now, what would it cost me if I should buy the 25 tons in manner just suggested, to transport that coal over the Reading R road to the market in Philadelphia?—A. That is the question asked Mr. McLeod; I do not know.

Q. And he said he could not answer it. You have been shippin great deal of coal and ought to know.—A. I have been connected w the company a long while, but the toll-sheets change somewhat, an can not tell you. I can only tell you by reference to memorandum.

Q. Do the toll-sheets vary much in the course of two or th months?—A. To a certain extent they do. The traffic manager is h and could answer those things.

Q. Do you know what the price of a car would be from Schuylkill Haven to Philadelphia?—A. Of a ton of coal or of a car load of coal?

Q. Well, say a car that holds 25 tons, loaded by me at the mines; what will the company charge me to draw that coal to Philadelphia?—A. I think it is $1.80 a ton, but I am not positive.

Q. One dollar and eighty cents a ton?—A. That is my impression. It varies very much.

Q. Twenty-five tons would be $45 for the car, to draw that car 90 miles, is that correct?—A. Yes; your figuring appears so. If I am correct in my basis the deduction is very easily made.

Q. Does your mining company pay the railroad company $1.80 a ton for carrying your coal for that distance?—A. We pay to the railroad company exactly what others pay. That is my impression. My impression is that the rate is $1.80 to the city of Philadelphia.

Q. I understand that you pay what the others pay?—A. Yes; that is my impression of what we paid, and when you asked me I tried to tell you. I may not be right, but as actual consignors we would be charged that amount and we would pay that, or try to pay it.

Q. Permit me; in a small way I do some shipping myself, and I know just what it costs me a car to ship from one point to another. You are shipping millions of tons of coal, and it does seem to me that if you would press your memory a little that you ought to form some idea of the cost of shipping this coal.—A. I propose to show you. I told you it was $1.80 a ton.

Q. Have you shipped any coal over the canal?—A. I do not know. We shipped coal last year and have continuously shipped coal over the canal. We have furnished coal to the canal.

By Mr. ANDERSON:

Q. Is it not about a fact that no account is kept between the Coal and Iron Company and the railroad company for freights?—A. No, sir; the account is kept to a farthing.

Q. Is it kept every day?—A. Yes, sir. Without knowing that, I say yes, sir; every day, just as regular as anybody else.

Q. Just as with other shippers?—A. Yes, sir.

Q. The books of the coal and iron company show that?—A. They would.

Q. Can you produce these books and let us examine them? We would like to know something about this in some way.—A. Yes, sir.

By Mr. STONE:

Q. I understand in the testimony of some witness in a suit brought by persons interested in the canal against the Reading Railroad Company that coal can be and has been shipped down that canal at some 68 cents per ton?—A. You refer to Mr. Zulick?

Q. Yes, sir. Would not that be a fair compensation for shipping this coal that distance?—A. I am unable to say that.

Q. Is it for the canal or railroad?—A. I am unable to say that.

Q. Is not $1.80 a very exorbitant tonnage?—A. It compares, I believe, with other anthracite carrying companies. I do not think it is larger.

Q. Whatever profit is made in this business of mining and carrying coal is made by the carrying, is it not?—A. Well, carrying in times past cost so much it did not seem to make a great deal of money, with the fluctuating prices of coal and the fluctuating market.

Q. Is there much fluctuation in the tonnage?—A. There is considerable fluctuation between this year just closed and last year, but the year before that was the highest point ever reached, I think, in our anth cite tonnage—about 34,000,000 tons, I think.

Q. When coal is worth $2.50 at Schuylkill Haven, based on the o side markets, what do you ordinarily sell it for at Philadelphia?—A have in my pocket a circular which I obtained during the recess fr our sales agent, Mr. Richards, who has been with the company a go many years. He gave me a circular, which was given August 1. He are the prices: White-ash coal was $4; broken, $3.60; egg, $3.7 stove, $4; pea coal, $2.50. These were the prices. Now, that is Port Richmond. I believe that was the last printed statement.

The CHAIRMAN. It is $5 a ton now, is it not?

The WITNESS. I presume it is higher now than it was then.

Q. Are you only presuming?—A. Well, I take it for granted that it i

Q. What is coal selling at here in Philadelphia now?—A. I do no know what it is reported at.

Mr. STONE. Is this one of the circulars issued by Mr. Richards fixin the price of coal?

The WITNESS. That is one of the circulars Mr. Richards has issue showing the price of coal on and after this date at which it will be sol

Mr. STONE. I ask to have it inserted in the record.

General price circular No. 2.—1887.

[George deB. Keim, Stephen A. Caldwell, Austin Corbin, receivers of the Philadelphia and Readi Coal and Iron Company. General office, 227 South Fourth street.]

PHILADELPHIA, *August* 1, 1887.

On and after this date, and until further notice, the following will be the prices fo this company's coals, delivered on board vessels at Port Richmond, Philadelphi Pa., for shipments beyond the capes of the Delaware, and Elizabethport, N. J., su ject to our printed conditions of sale:

PORT RICHMOND.

	Lump.	Steam-boat.	Broken.	Egg.	Stove.	Chest-nut.	Pea
Hard white-ash	$4.00	$4.00	$3.60	$3.75	$1.00	$3.60	$2.
Free white-ash			3.40	3.55	4.00	3.60	2.
N. Franklin white-ash				4.00	4.00	3.60	
Shamokin white-ash				3.85	4.25	3.60	
Shamokin red-ash				4.00	4.50	3. 0	
Schuylkill red-ash				3.85	4.25	3.80	
Lorberry				4.00	4.50	3. 0	
Lykens Valley			4.25	4.75	5.00	4.25	

ELIZABETHPORT.

	Lump.	Steam-boat.	Broken.	Egg.	Stove.	Chest-nut.	Pea
Hard white-ash	$1.25	$4.25	$3.85	$4.00	$4.25	$3.85	$2
Free white-ash			3.65	3.80	4.25	3.85	2
N. Franklin white-ash				4.25	4.25	3.85	
Shamokin white-ash				4.10	4.50	3.85	
Shamokin red-ash				4.25	4.75	4.15	
Schuylkill red-ash				4.10	4.50	4.05	
Lorberry				4.25	4.75	4.15	
Lykens Valley			4.50	5.00	5.25	4.50	

The company reserves the right to change prices at any time except on orders e tered prior to such change, and orders sent in will not bind the company unt accepted.

THOMAS M. RICHARDS,
General Coal Agent.

. How does he happen to assume arbitrarily to fix the price of coal?—It is given by the condition of the market and the general condition things.

Q. Does he do it upon consultation with other coal dealers?—A. He a man of great experience, and he knows it from the state of the arket.

Q. Does he represent your company, and act in conjunction with the epresentatives of other companies, so as to fix the price at which consumers shall have coal?—A. I do not know as to that, whether he acts in conjunction or not. He may consult to a certain extent with the other coal sales agents. How far he is governed by them I can not tell.

Q. You have no sort of arrangement, have you, by which the amount of coal mined shall be limited?—A. None; the Coal and Iron Company has no arrangement whatever.

Q. Do you know whether the other companies engaged in mining coal have any combination or arrangement?—A. I do not.

Q. Have you heard of any existing?—A. I have not.

Q. Have you never heard that such a combination did exist?—A. I do not know that there was a combination in that respect that ever existed.

Q. Several witnesses have stated that there was such a combination and none could tell when it terminated?—A. In 1884 there was what might have been termed a combination in the coal trade; but there was no large money in it because there was too large an output; there was no restriction whatever. Mr. Whiting testified to the fact that he desired to produce all the coal he possibly could, right straight along.

Q. But he testified that there were men representing these various companies who each month undertook to divide the output among the various regions?—A. I did not understand him to say there was for the last several years, nothing of the kind.

Q. I did not understand him to say that they absolutely said that only so much should be mined; but that his company, for instance, should for a certain month mine 18 per cent., or during a certain period mine only 18 per cent.—A. I did not understand him as saying that in reference to it.

Q. What did you understand him to say?—A. That it was governed and controlled, but in no manner was there restriction of production.

Q. That a man could mine just as much as he pleased?—A. As much as he pleased.

Q. He stated that 18 per cent. was the portion allotted to his company?—A. I did not understand him to say so.

Q. He said it was two or three years ago, and that arrangement had now ceased, but that while it existed the percentage allotted to his company was 18 per cent. of the aggregate percentages allotted to all companies.—A. I was talking about the year 1886-'87. I thought you asked me as to the year 1886-'87.

Q. What induced them to abandon that allotment system?—A. There was no occasion for it.

Q. What was the occasion for it in 1885?—A. The occasion for it was too much coal going to market.

Q. And they wanted to limit this supply?—A. For instance, you send coal to Port Richmond, which holds a certain amount of coal, and if it does not go off the Port Richmond tracks the cars become blocked; and so it does with the other companies. Then they often sell at prices there which are entirely inadequate. By a little curtailment, by a little reduction, you could better the prices and you can continue your business without being wrecked. When there is a large demand f nothing of the kind is necessary. Mr. Jones, of whom you tal gard to the question of figures, generally figures on the Schuylki etc., and there is no one more familiar with it than he is.

By Mr. CHIPMAN:

Q. You say that Mr. Richards fixes the selling price of coa derstood you to say that. Do you mean to say that he does n any one else, or have an understanding with any one else, wi agents or the dealers; did I understand you to say that?—A. I do not know. He is a man of great experience; he has bee in times past; he would talk with the receivers and myself.

Q. Do the other dealers differ in the price of coal—in th grades of coal?—A. I should think not.

Q. They all get to about the same result?—A. I should thi was a shading of prices.

Q. More than a shading?—A. Even more than a shading o

Q. Where?—A. With the dealers.

Q. What instances?—A. I was talking of some parties in ti

Q. I mean any time now?—A. I do not know of any differe

By Mr. PARKER:

Here is the last report made, which contains a good deal o tant matter; I wish to identify it and prove its genuineness witness, and put it in the hands of the clerk with the under that the committee will put in such portions as they see fit, in o they may have time to consider that question. If there is no o to it I will put it in that way.

Q. Will you tell us what this is?—A. That is the report of t dent and managers to the stockholders of the Philadelphia and Coal and Iron Company, together with the report of the oper the receivers for the year ending November 30, 1886.

Q. And you were one of the receivers?—A. Yes, sir.

Q. From what date to what date?—A. From June, 1884, u uary, 1885.

Q. Are you familiar with the contents of that document?— generally familiar with the contents of this document.

Q. Are the statements and tables and statistics and reports tially true to the best of your knowledge and belief?—A. I them to be true. I know it was our desire to have them tr believe them to be true.

Q. Do you hold any other position in the present organizat the one you mentioned as president?—A. I am the managing at the Reading Railroad.

Q. Do you hold any other position?—A. I do not.

Q. Have you previously held any other relations with either except that of attorney as you have indicated, and that of re stated?—A. Yes, sir.

Q. State what it is.—A. I have been vice-president of the Iron Company. I can not give the years. I was general solicito companies. I was receiver *pro tem.* and held the receivership.

Q. When was that date?—A. From 1880 until 1883. I was for a portion of that time *pro tem.* Mr. Gowen went to Eur filled his place by order, I think, of the court. In addition was president of the railroad company. I was vice-president f time; then president, January, 1884. In June, 1884, it passed hands of the receivers for the second time.

By **Mr. ANDERSON**:

Q. Within your knowledge, has the Coal and Iron Company ever owned any locomotives (except switch engines) or cars for the transportation of its coal ?—A. It never has. I think I can be positive.

Q. Has the coal and iron company ever purchased any for the railroad company ?—A. No, sir.

Q. It has not ?—A. No, sir.

Q. On another point, referring to the testimony of Mr. Whiting to-day, when I was endeavoring to obtain some information as to the operation of the mines; do you give him directions as to the amount of output of the month as president ?—A. I certainly would do so, and I certainly would do another thing. We have to provide for shafts in mining, sinking slopes, and driving tunnels, etc., and it is a large business, and it is a matter I would look into in connection with him. I would be consulted in regard to all these matters.

Q. How would you indicate it, orally or by writing ?—A. By meeting him. He is at the office every week. He attends a great deal to the details in the matter and I to the general outlines, and I am consulted, of course.

Q. As president of the coal company what are your relations to Mr. Richards, the sales agent ; does he act under your directions ?—A. Generally he is presumed to act under my directions. I presume that if I was getting out so many sizes he would report to me in regard to the grades I was getting, and in regard to the probability of getting out more of a certain grade.

Q. Of course he would not undertake to fix the prices, as shown in that circular, without your direction ?—A. Well, he had information in regard to the output of the certain sizes and the probable output of the various sizes.

Q. What I am trying to get at is, whether Mr. Richards is a sovereign lord and fixes the price of coal at what he pleases, or whether he is subordinate to you or to somebody else, and, if so, who that somebody is ?—A. He certainly would be subordinate.

Q. Now, then, who would act finally in the matter, say, if there was a change of the price affecting the profits of the company in a very large sum of money, would you act as final authority in that case, or would you submit the proposition to Mr. Corbin as president of the two companies ?—A. I would call my board of directors together. I have a board which I selected. I was asked if I would select a board. I have taken on that board men who are practical miners. I have on that board men who entirely understand the whole question of mining, and with the conduct of the people there. Mr. Baer, of Reading, is there. I was asked to select a board entirely outside the railroad board. I have on that board Mr. Wolverton and Mr. Andenreid.

Q. As I understand it, the railroad company, and I think that was Mr. Corbin's testimony, gave you the proxy of the railroad company, and you merely acted in that respect as the agent or trustee of the company, and of course exercised your own judgment in the selection of these directors; but still your act was not a personal act, but an official act as trustee ?—A. The proxy was not given to me directly. I think it was given to some one else.

Q. I think that was Mr. Corbin's testimony ?—A. He may be right. I do not think it was done directly.

Q. But done through attorney ?—A. I think not. I have just asked Mr. Kaercher, and I think he would have remembered if the proxy was made to him. It is immaterial, but my impression, I think, is right.

Q. So you selected the gentlemen as directors acting for the railr company?—A. Yes.

Q. Were these directors selected without any consultation whate or any knowledge on the part of the president or directors of the Re ing Railroad Company?—A. I do not think the directors knew.

Q. Did Mr. Corbin?—A. I told Mr. Corbin when I had made the se tions who they were. I told him those gentlemen were satisfactory me and I would like to have them in. Mr. Corbin said "Do not put in." I said "I would like to have you in."

Q. If Mr. Corbin had objected to any of the gentlemen you nam would you have still have elected that director?—A. I do not kn whether I would have or not. It would have just depended upon h I felt. If I had felt like objecting I would have insisted upon it, a told him that if I took charge of the Coal and Iron Company I sho like to select the directors. I think if I wanted to make a change in board to-morrow Mr. Corbin would say, "take whoever you think i proper man."

Q. Would you not in the same way say to Mr. McLeod, "this dep ment is in your charge, do as you please about it"; or is the Coal a Iron Company so substantially distinct from the railroad company t Mr. Corbin would have no interest to exercise any influence over it. which of these two senses?—A. To him I come exactly as to any ot man.

Q. As I understand you, that board of directors of the Coal and I Company, with yourself as president, would fix the price of coal; y are able to make any improvements you choose, and expend any amo of money wholly independent of, or regardless of, the Reading Railr Company as represented by Mr. Corbin?—A. In other words, to whatever is necessary to conserve that property, to make whate improvements necessary and to spend whatever is necessary to prese that property.

Q. How then, if it is distinct, is it that Mr. McLeod is general ma ger of the two companies?—A. Under the receivership he was m general manager, and the officers were to report to him in the Coal a Iron Company; but just as he stands in the railroad company, betw Mr. Corbin and the company and the details of his office, so he sta between me and the coal company.

Q. Now, is Mr. McLeod's position in the coal company one of s stantial, actual work, or is he simply a figurehead?—A. I regard it far as the actual work is concerned, as not being very tremendous, I have only had the presidency of this company a short time.

Q. Why was this organization effected in January. Was ther separate and distinct corporation with directors and officers prio that?—A. Prior to January?

Q. Yes, sir.—A. In old times the president of the Reading Railr Company was also president of the Coal and Iron Company.

Q. Why?—A. I do not know why, but it is a fact.

Q. Because the Reading Railroad Company owned the Coal and I Company?—A. And they had the same directors. There was nothi I believe, in the law incorporating the Laurel Run Improvement C pany to prevent that, and I presume that was the position taken un the advice of counsel in defending the rights of the Reading Railr Company, but Mr. Corbin did not seem to care in January about be president, and so I was made president instead.

Q. In other words, Mr. Corbin thought the business of the railr company and the Coal and Iron Company for some reason might better if they were made distinct organizations?—A. The business had become so extended and wide that he wanted to divide it.

Q. That was the real reason and not because there was any distinct sovereignty?—A. I do not think there was any other purpose than that.

Q. So they are separate?—A. Yes; it has different officers; the secretaries are different and the whole staff is different.

Q. Are these officers paid salaries as such?—A. They are.

The CHAIRMAN. May be that is another reason of Mr. Corbin's why the two corporations were separated at the reorganization. Please tell us how many paid officers there are besides yourself and Mr. Whiting connected with the coal and iron company?

The WITNESS. I can not tell you that without reference.

Q. You can not?—A. No, sir.

Q. Have you any objection to telling us what salary Mr. Whiting is paid and what you are paid?—A. I have no objection; but under the lines laid down, I should prefer not.

Mr. ANDERSON. Has not Mr. Whiting's salary been fixed?

The WITNESS. Mr. Whiting's salary, I can say to you, has not been fixed. I do not think it has been yet exactly fixed.

Q. Is Mr. Whiting working for nothing?—A. No, but his salary has not yet been fixed.

By the CHAIRMAN:

Q. I see there are twenty-five well-paid officers who no doubt get big salaries in connection with the Philadelphia and Reading Railroad Company, and not one of those officers, as far as I can judge, except Mr. McLeod, is also a paid officer in the Coal and Iron Company. Now you, as president of the Coal and Iron Company, are one of those officers, and Mr. Whiting another. I take it you must have an able set of men.—A. We have.

Q. And they are all paid good salaries?—A. They are all paid reasonable salaries.

Q. Such as $12,000 for a book-keeper. Mr. McLeod stated that the general traffic manager, Mr. Bell, got $12,000, and I take it he is a mere book-keeper?—A. No, sir; nothing of the kind. He is at the head of the freight department of the Reading Railroad Company, and a man of excellent ability.

Q. What is the business of the assistant general manager; what does he do?—A. He assists the general manager in certain matters of detail.

Q. Here is Mr. McLeod, who is general manager; he declines to tell what salary he is getting; I have no doubt it is a royal one. Do you object to telling the committee the amount of money paid the salaried officers of your Coal and Iron Company?—A. I can not tell you the amount of money. I can furnish you a list of the coal and iron company's officers, and the payments made to them this year.

Q. They have received very little as yet.—A. You must not find fault with me.

Q. It occurs to me, sir, that officials who are paid such royal salaries ought to know something about their business and about the affairs they have got in charge. You have got a treasurer——A. We have, and a general book-keeper, an auditor, secretary.

Q. Please complete the list.—A. My memory was not defective as to this thing. You asked me if we had a full staff, and I said we had.

Q. You told Mr. Anderson awhile ago that you nominated the board of directors of the coal and iron company. Please tell us if your board of directors are salaried officers.—A. They are not.

Q. If you are the man who nominated the board of directors, of h many does that board consist?—A. Six.

Q. If you were the only man who nominated the board of six direct of the Reading Coal and Iron Company, please tell us who nominat you; in other words, who made you sole dictator to nominate th directors?—A. Mr. Corbin asked me to make the selection as preside of the Coal and Iron Company. He told me.

Q. Is Mr. Corbin dictator of the railroad company as you are of t coal company?—A. I am not dictator of the coal company.

Q. But you say you named the six directors?—A. That does not ma me dictator.

Q. Well, who nominated you?—A. Did I not tell you that Mr. Co bin——

Q. So the one-man power made you?—A. Mr. Corbin is president the Reading Railroad Company. I presume he consulted with th management and others as to the changes that would occur when th road went out of the receivership. I was not a member of the Readin Railroad board at that time.

Q. How many men did Mr. Corbin have to consult with officially get authority to give you the power to name the six directors of th Coal and Iron Company?—A. I have not the slightest idea about it.

Q. Are you not a director of the coal and iron company?—A. Yes; b I was not made so until January, when I was also elected president of th Coal and Iron Company. I was not a director the former year.

Q. Please, sir, tell us, and I know you can do it, as the well-pa president of the Coal and Iron Company, please tell us if the bulk of t freights passing over the Reading Railroad are not coal, and would n be coal of the Reading Coal and Iron Company if the mines of the Co and Iron Company were in full operation. In other words, is the carr ing capacity of the Reading Railroad Company at present at all tax with the coal business?—A. If our mines were in full operation th would of course transport the coal.

Q. Estimating that by bulk, how much would that be it would r ceive?—A. It would probably be about half, possibly more.

Q. The Reading Railroad Company, then, suffers a severe loss of bei deprived of the carriage from the coal company?—A. It has lost abo one-half of its business.

Q. From what source does the Reading Railroad Company get t bulk of its freight business at this time? Does it not come from t individual coal mines, and partnership coal mines, and the corporati coal mines, other than the Reading Coal and Iron Company, in t Schuylkill district?—A. I presume it comes very considerably now fro these directions.

Q. Does not it get all the coal from these directions?—A. Yes, si except what comes over the Pennsylvania system, which comes fr the Wyoming.

Q. But the great bulk of the business comes from these other min in the Schuylkill region?—A. I can not say the great bulk does. T northern Pennsylvania Railroad connection really brings now a very co siderable amount of coal.

Q. Are the bulk of these private mines and incorporate mines in t Schuylkill region at work at this time, except those belonging to t Reading Coal and Iron Company? Mr. Whiting said that nearly t whole of them were.—A. The bulk of them are in operation.

Q. Mr. Whiting also said that they pay the miners the 8 per ce advance which your miners claimed and for which they struck. Is that true?—A. So I understand.

Q. I want to ask you this question: If the other mines in the Schuylkill region can pay this advance why can not the Reading Coal and Iron Company afford to pay it?—A. The Reading Coal and Iron Company thought they could not change the $2.50 basis by an arbitrary advance without suffering more than declining to pay it.

Q. Why can not the Reading Coal and Iron Company pay that advance of 8 per cent. when coal to-day is selling in the city of Philadelphia at from $6.50 to $7 a ton; is it not?—A. I think it is, but that is being sold by retailers to make a profit.

Q. The public is being taxed millions upon millions of dollars, whilst the Reading Coal and Iron Company is suffering the loss of nearly all of its income from mining coal, at present only carrying one-sixth of its usual mining force, say about 3,000 at work out of about 20,000 men; now I say in addition to the public being taxed millions of dollars, being the increase from $4 per ton on the first of August, according to the circular you presented a while ago, up to $6.50 and $7, which is the increase that is charged the public, and your company is carrying on only about one-sixth of its business, while the other companies are in full blast in the same region; now I ask if your company, with a bonded and mortgage debt of $38,140,000 and the Reading Railroad Company with a bonded debt of $160,000,000, if the interest on those bonds, mortgages, and debts is going to be paid by the income from your coal company, which is the chief source of income for your railroad company, unless your companies are indemnified by a pool what will prevent your railroad company and your coal company from both going into the hands of a receiver again with forty or fifty heavily paid officers that are connected with the companies? Now please answer that question.—A. That is a very plain question.

Q. When the day does come to meet the interest and to pay the fat salaries of this second edition of coal company officers, and the large salaries of the railroad company have been paid, where is the money to come from to prevent both companies from passing into the hands of a receiver again, unless the management of the two companies is otherwise paid?—A. I scarcely know how to answer that.

Q. If I do not make it plain I will go into the details; I will cut the question up?—A. You made it thoroughly plain.

Q. The public is robbed, the Reading Coal and Iron Company is robbed, the Reading Railroad Company is robbed, and nobody is thriving but the officers of the two companies themselves, and they are getting such big salaries that they are ashamed to tell the public what they are?—A. I am not ashamed to tell the salary I get, not at all.

Q. But you decline to do it?—A. Because that was the line taken.

Q. I do not mean to impute dishonesty to any one, but by way of illustration, I hope it is not according to the old adage of honor among thieves that if one officer declines to tell how much pay he gets all the others feel bound to follow suit?—A. Oh, not at all.

Q. The officers of the two companies have a large staff of supporters and at least one book-keeper at $12,000. I want you to say whether you decline to answer my question, as to where the Reading Railroad Company and the Reading Coal and Iron Company will get the means to meet its bonds and pay its management at the next pay-day to avoid passing into the hands of the receivers?—A. I do not know that there is any trouble about another receivership.

Q. Where will the income be derived to meet the interest on the mor gages and bonds, amounting to nearly $200,000,000?—A. There is noth ing of that kind. Our fixed charges in the two companies numbe about $7,500,000. Then we have to pay the rentals and everything and I think we can readily earn that this year under the worst phas

Q. With your miners out and you refusing to treat with them?—A I do not suppose they will remain so always; besides we have assets i hand.

Q. What assets?—A. Money and securities.

Q. Money and securities, not derived in a legitimate way from freight and income from your coal mines. How did you derive them?—A. N sir; but in the reconstruction some $12,000,000 were paid in by th stockholders. The road had a large loan of collaterals, which was floating debt, and which was paid with assets in her treasury.

Q. Now please tell us if it does not look mysterious that your Co and Iron Company declines so stubbornly to adjust the difficulties wit the late miners, when coal is about $3 a ton higher than it was la August; and in that connection I wish to ask you if there is not a co syndicate of which the Reading Coal Company is a member. Mr. Whi ing admitted to-day that there was such a syndicate and a coal boa of trade in 1884 and in 1885. You admitted to-night, in answering M Anderson's questions, that this anthracite coal agent fixes the price f retail anthracite coal, and if he was going to make a large sale he woul consult you?—A. Yes, sir.

Q. Precisely; if he had a large trade to make he would consult yo but if he did not he would fix the retail price himself. Is not he t common agent of all these companies?—A. Not at all; he is not t common agent of these companies.

Q. All the anthracite companies, Mr. Whiting said, had the san man in 1884 and 1885.—A. I know of no combinations existing no between the coal companies.

Q. As your company is constituted, it is probably the largest anthr cite coal mining company in Pennsylvania to-day?—A. Yes, sir.

Q. And coal is $3 a ton higher than it was last August, and t largest company in the State is idle and remains idle, stubbornly refu ing to allow its miners to resume work, and for what reason?—A. B cause there is a difference of opinion in regard to the wages that oug to be paid and in regard to the contracts.

Q. As much as $3 a ton difference—your company and other co panies idle. Now, somebody is making money off the public, yet t Reading Coal and Iron Company stands idle, and, unless that compa or its management is provided for, the public will naturally ask, s why? and I ask why? (A pause.) The witness sits dumb.

I will put the question in this form: Can your Coal and Iron Compan for which you tell us the Reading Railroad Company is responsible its indorser, can your Coal and Iron Company afford to lose this splend opportunity of resuming the work of its mines with this heavy de hanging over it and the date of payment fast approaching? Can y afford to do it? especially, can you afford to do it and be able to pay the enormous salaries for these twenty-five or thirty different officers?— That is just what we are doing. We are standing idle because our m are not at work.

Q. Can not you afford to pay the 8 per cent. with coal at an advan of $3 a ton?—A. We think not, because the price of coal will resume normal condition when all parties are at work.

Q. Suppose coal falls in price in case you resume your work, do you expect to remain idle and keep your mines always closed because coal would fall back to its normal price?—A. Under the terms of the arrangement, as we understand it, the men were to go to work on the $2.50 basis unless the Lehigh strike was adjusted, then there was to have been an arrangement as to another price to be paid them.

Q. So you will not resume operations, and will sacrifice the company and let it go into the hands of the receiver again, and lose your salaries, if the Lehigh strike does not stop?—A. We do not expect to go into the hands of the receiver again.

Q. Well, how can you prevent it?—A. I have tried to say to you that the general business of our company would make some very considerable earnings, and we have assets in hand and money which would enable us to tide this matter over.

Q. Did not the Reading Railroad Company and the Coal and Iron Company have a terrible struggle to get from out of the clutches of the receivers?—A. Yes.

Q. If so once, within two months after it got out of the hands of the receiver, how did it gather up these sums of money to meet these heavy expenses?—A. The stockholders paid it—I am repeating again what I said.

Q. If you please, I may be a little wool-gathering.—A. I do not know that you are as much wool-gathering as I am, but I will try to explain. Twelve million dollars was paid into the Reading Railroad Company by an assessment levied upon the stockholders and the bondholders.

Q. When?—A. During last year. Twelve million dollars that paid off the floating debt, discharged the liabilities, and gave her in hand a large amount of available assets. In addition to that interest, and having a very much larger loan of fixed charges, there was an adjustment made by which a very considerable portion of the liabilities was placed in the hands appointed, the interest to be paid if earned.

Q. And what if not earned?—A. There was none to be paid. And so a large proportion of the bondholders turned their bonds, upon which fixed charges were to be paid semi-annually, into first, second, and third preference bonds, interest only to be paid if earned; so this lessened the liabilities of these companies very much.

Q. Have you many such investments up here in Philadelphia, where if you make interest on them you pay it and if you do not you pay nothing. I wish, if you please, sir, you would inform the committee, that I may enlighten some of my friends about such investments?—A. It is a class of bonds which have been used in the reconstruction of quite a number of northern roads.

Q. Please, sir, tell me if this is one of the devices of the railroad wreckers, for I have heard and I believe that there are more men engaged in wrecking railroads than in building them?—A. I can not answer that; I do not know.

Q. Do you say now of this company, upon your oath, that there is no pooling of profits or losses among the anthracite coal miners, directly or indirectly?—A. I answer you upon my oath that I know of none and I do not believe they now exist or ever have existed, to my knowledge.

Q. Is the Reading Coal and Iron Company indemnified in any way, or is it paid in any way by any other anthracite coal mining company, or by any anthracite coal carrying companies, to keep these mines in the Schuylkill region shut up?—A. I will say on my oath that it is not paid a farthing. We have our trouble about this labor and these things, but it is only between us in relation to it. But from our standpoint, we may not see it as you do. The year will move on and everything some of these days be quieted up.

Q. Certainly; time settles all things.

By Mr. PARKER:

Q. You gave us some of the names of the present directors of the c pany, did you not?—A. Yes, sir; I ought to say I omitted to say tl are two gentlemen in it—one Mr. Baer and the other Mr. Corbin— are in the railroad company.

Q. Perhaps it is better to repeat here the directors in both co nies?—A. In the railroad company, Antello, Corbin, Keim, Tho Cochran, Shipley, George Baer.

Q. Now, please give us the names of the directors of the coal iron company?—A. W. A. Audenreid, G. F. Wigan, George B Austin Corbin, S. P. Walberton, H. A. Dupont.

Q. Now, will you give us the names under the former manage of the railroad company?—A. Corbin, Williamson, Wanamaker, tello, Shipley, Cochran.

Q. Do the directors of either company, as they now exist, re any salaries as such directors?—A. No, sir; they do not.

Q. Is the organization of each company fully perfected in its n bership of officers, and as to the salaries of those officers?—A. I t as to its being fully perfected there are important changes occur There are some marked changes occurring in certain directions in companies, and I think in the Coal and Iron Company there wil changes. I do not mean to say it is a question of the change of offi as much as in the manner of business.

Q. A change in the manner of business will make necessary cha in the amount paid for services to different officers?—A. Possibly I do not know.

Q. Are the salaries of these officers adjusted yet?—A. I think are.

Q. Are these salaries known to these directors of the two compa respectively?—A. I should say, yes.

Q. Did the directors in each of the companies have a knowled the salaries received by the officials in each company?—A. I will yes to that; but if you call a director he might only remember in tain instances that certain salaries were fixed.

Q. Now, as to your election of officers of the Coal and Iron Comp what was the amount of stock voted upon at that election?—A. I not present when the vote was taken, and I do not know, but I t the whole amount the Reading Railroad had was voted on by pr and possibly there was a lot scattered here and there.

Q. Were you present when the election was made?—A. No, sir.

Q. How did you select the directors?—A. My impression was proxy was not given to me, but to some one else. He knew my li names and went and voted them.

Q. Did that list of names include all the officers, directors, and other A. No; simply the manager and president.

Q. Who selected the other officers; how were they chosen?—A. T under the receivership were adopted.

Q. How was that done?—A. I take by resolution of the boar management.

Q. By resolution of the managers?—A. By the managers. The pany was in the hands of the receivership, and when the receive was discharged it just moved along as a company.

Q. Under the officer who had received the power?—A. I think there were circulars issued to the various officers telling them to report to the president as heretofore to the receivers.

Q. Then the management selected the officials. Somebody must have designated the officers; if it was not the management, who did it. Did the stock designate them?—A. No.

Q. Who did?—A. Of my own officials; I did not ask, but went to work. It was a thoroughly natural thing for me that these officers, when the receivership closed, should be just approved of by the board of managers. They are approved of, in fact.

Q. Well, say here is a president; now the stock must have some voice in the naming of that president, must it not, before he can be the president?——A. Yes.

Q. How did the stock designate that man for president?—A. I do not know how that was done. I simply take my own case. Mr. Corbin asked me——

Q. I do not want anything between you gentlemen. I want to know the method by which the stock said you should be president?—A. I do not know.

Q. You have information this far, that the stock said those men should be managers?—A. Yes.

Q. And upon that they came to be managers?—A. Yes.

Q. Now, in this corporation, at the period after the receivership ended and before the new organization existed, was there nothing held in which the stock was used?—A. When the receivership ended, as soon as it ended, Mr. Corbin then——

Q. That I do not want to get.—A. He was president then of the Coal and Iron Company up to the time the election was held in January; I think about the 2d of January the receiver was discharged. Then from that time I think he was president up to the new election.

Q. And the stock representing the property did it?—A. Yes.

PHILADELPHIA, *February* 17, 1888.

TESTIMONY OF CHARLES E. SMITH.

CHARLES E. SMITH, being duly affirmed, testified as follows:

By Mr. STONE:

Q. What is your full name?—A. Charles E. Smith.

Q. Where were you born?—A. Philadelphia.

Q. What is your age?—A. Sixty-seven.

Q. Have you any interest in the Philadelphia and Reading Railroad Company?—A. I am a bondholder.

Q. Are you a director?—A. No.

Q. Are you a stockholder?—A. No.

Q. Have you any interest in the Coal and Iron Company?—A. None; I never had.

Q. Were you president of the Philadelphia and Reading Railroad Company?—A. I was.

Q. During what years?—A. 1861 to 1869, during the whole period.

Q. When did you cease to be a shareholder of that company?—A. About two weeks ago.

Q. Have you had any official connection with that company sin your presidency ceased?—A. I was a director. I gave up the pres dency some time in the summer of 1869 and went to Europe. I w gone a year, and when I came back I was elected a director. I was director until Christmas, 1876, when I resigned, and I have had connection with the company since.

Q. Why did you cease to be president of the company?—A. M health broke down and the doctor told me I should either resign or l in the grave within six months.

Q. Why did you resign your directorship?—A. I did not resign. Y I did, I resigned; I made an investigation as director of that rep which was made to the board about the 20th of November or Dece ber, I have forgotten which; the 20th of December, I think it was, a the annual meeting took place the second Monday in January, an resigned between the date of the report and the annual meeting; I thi just about Christmas, 1876.

Q. What was it you were investigating?—A. The crookedness of t company's accounts in these reports.

Q. Was your resignation the result of that investigation?—A. Ye

Q. In what way?—A. The amount of that business was that t reports which were to be put in the hands of the annual meeting, whi was to take place in a week or two, sought to suppress certain facts, a I thought it would be dishonest, and I therefore resigned.

Q. In what particular dishonest?—A. Suppression of the truth. the report of the directors means anything it means to tell the truth

Q. I do not mean the dishonesty in the suppression of the truth, l in what way were those accounts dishonest?—A. The value of the d had been suppressed and a dividend had been declared and the mo had not been earned and was borrowed to pay it, and the accounts w made up so as to represent the money had been earned, that is, if y did not read between the lines.

Q. What was the purpose of borrowing money to pay a false di dend?—A. Mr. Gowen's object was, no doubt, to make a fine showi and some of the directors who had a hand in it were gambling heav in stock, and their object was plunder.

By Mr. CHIPMAN:

Q You say the money was borrowed to pay the dividends?—A. I amounting to about $15,000,000.

Q. How did they secure these $15,000,000?—A. Borrowed them.

Q. Well, did the company borrow the money?—A. Yes.

Q. How did the company secure it?—A. They gave bonds.

Q. Mortgages?—A. Yes.

Q. You say that fact was suppressed in the report?—A. If you w give me a report I will show you how it was suppressed.

Q. For what year?—A. Between 1871 and 1872 and 1876. The lo to the Coal and Iron Company were represented to be earnings of railroad company, because the railroad company had paid the loan the Coal and Iron Company, and this money for the payment of th advances was represented as money earned and received.

Q. You were a director of the railroad?—A. I was.

Q. Could you say of your recollection that the loans of the Coal Iron Company were represented as profits of the railroad company?— I will show you how it was worded. This is the report for 1874, da January, 1875. On page 9, transportation and income account. Th are the receipts of the company. One large item at the bottom to m it come out right is $1,280,000. There you have half a dozen items be added together or subtracted to make that one item. This is the amount put in the accounts, and that is cooked.

By Mr. STONE:

Q. In point of fact, was it right or wrong?—A. It was wrong, both morally and as a matter of book-keeping.

Q. Who suffered by it?—A. The stockholders.

Q. Who profited by it?—A. I do not know anybody profited by it except those who were gambling in the stock.

Q. In what way did they profit?—A. They profited very much, because they could get the money to purchase the stock and they could get it carried at 6 per cent. interest, and they got a 10 per cent. dividend, and so they cleared 4 per cent. by doing nothing and without advancing a dollar.

Q. That report is calculated to advance the market value of the stock?—A. Yes, and keep it up. They were paying dividends of 10 per cent. and in reality there was no money earned.

Q. Were you managing the coal and iron company at the same time?—A. Do you speak of me personally or the company?

Q. The company?—A. The company was managing both at the same time.

Q. When did the railroad company acquire control of the stock of the mining company?—A. At its creation.

Q. Was the mining company created at the instance, or was it the creation of the railroad company?—A. Yes; under Mr. Gowen's presidency the iron company was started in May, 1871.

Mr. CHIPMAN. That was the Laurel Run Improvement Company?

The WITNESS. Yes, the name was changed. The application was made shortly after the organization to change its name from the Laurel Run Improvement Company to the Philadelphia and Reading Coal and Iron Company. It is in that record there.

By Mr. ANDERSON:

Q. Do you know whether any efforts were made by the Reading Railroad Company prior to the passage of this Laurel Run charter to obtain a law and franchises whereby the railroad company could engage in mining?—A. No; I think no effort was made.

Q. Why then was this bill passed?—A. Mr. Gowan had it passed. I suppose the reason was the name Laurel Run was not definite. There are a hundred Laurel Runs in Pennsylvania, and having a charter by the title Laurel Run it was not binding anybody; it is like a man named Smith, it points to nobody. And if it was called the Reading Coal and Iron Company it could be distinguished very easily.

Q. Can you tell us who these corporators were, whether they were connected with the Reading Railroad Company in any way?—A. I do not know any of them.

Q. You would have known them?—A. I do not know any one of them, I think [examines names].

Q. This act was approved the 18th of May, 1871; then, on December 12, 1871, the name of the company was changed by the action of the court of common pleas. Is it necessary under the Pennsylvania laws, do you know, to secure the act of the legislature in order to change the name? How can a court change a name?—A. I can not tell you that, but the court can change the name.

Mr. CHIPMAN. It was testified here yesterday that they had a special act passed, and I should judge that the court had power to act, because the legislature gives them power to do it.

By Mr. ANDERSON:

Q. Can you tell us how much was the stock of this Laurel Run I provement Company?—A. There was no stock. The Reading Coal a Iron Company had no stock. I think no stock was issued until aft the name was changed.

Q. Can you tell us how the money was advanced by the Readi Company, or how secured by the Reading Company, to pay the $8,000,0 of stock which appears in evidence has been paid to this coal and i company?—A. Proceeds of bonds sold by the railroad.

Q. Can you tell us whether any cash was actually advanced by t company for that purpose?—A. There is a broadside published by t company somewhere giving the cost of every tract of land and h paid for, so much in cash and so much in bonds.

Q. Did the railroad company have any profits; that is to say, di have any cash in hand with which it could buy the property for t coal and iron company?—A. It had profits from its own business, b not enough to pay the amount of this.

Q. Is the statement substantially correct that the coal company w bought on credit?—A. It is substantially correct in most instances. great deal of it was bought on credit, but in some instances a sm portion was paid in cash. I do not remember any one that was boug wholly for cash.

Q. You are speaking of your own time; my question is wholly pr to that—whether the money obtained by the coal company, and it m have been advanced in some form, was borrowed by the railroad c pany, or if it had profits at that time in hand to use for that purpose A. It had not profit enough to pay for the whole of it. It was mon received from the bonds, and what money it had from profits wen the purchase.

Q. Do you know whether there was any power given by that char of the railroad company to engage in mining?—A. There was not.

Q. It was purely a charter?—A. Of a common carrier, purely fo railroad. I was often pressed by men to buy coal land, and I alw refused. The question of mining coal was invariably refused dur my administration.

Q. Do you know whether any act has since been passed amendator the charter of the railroad company so as to permit them to engage in other business of that character?—I think not. There is a provisio the State constitution at present by which special legislation is proh ited, but there can be no supplement to its charter.

By Mr. STONE:

Q. You are speaking of the constitution at present, which is to effect that a corporation, being engaged as a common carrier, shall engage in any other business than a common carrier?—A. The o refer to is in the constitution of Pennsylvania, article 17, chapter there you will find it.

Q. When was that provision adopted in the constitution?—A. In year 1873; I can not tell you the month. That is, it was adopted final vote after passing the legislature.

Q. And is that self-enforcing?—A. I can not tell you that from m ory. I will have to see the constitution; have you a copy here?

Q. No.—A. I can obtain one, if you want it. I can get you one in teen minutes.

Q. Well, while you were at the head of this railroad company it engaged exclusively in the business of a common carrier?—A. Yes,

Q. And you had invariably declined to enter into the business of coal mining?—A. That was a question that was never considered. I declined to enter into coal mining, and such mining was never suggested.

Q. Was the question of carrying coal ever suggested?—A. Yes, repeatedly.

Q. When did your railroad company come into control of this canal company?—A. I think that was first in Mr. Gowen's administration, in 1869 or 1871, or before he was president and while he was acting *ad interim*, during my leave of absence in Europe.

Q. Did you approve of it?—A. I was in Europe, I believe. It was not submitted for approval to me, therefore I presume I was in Europe.

Q. Did it meet with your approval?—A. No.

Q. What was the purpose of leasing that canal at the large rental of $650,000 a year?—A. Undoubtedly to get rid of a competitor.

Q. What was its effect upon competition?—A. The effect upon competition?

Q. Of the lease. I mean the lease.—A. Well, it got rid of a competitor.

Q. I mean, did it have the effect of advancing freight?—A. I think not, because there were half a dozen competitors, and getting rid of one does not lessen the competition from the other five.

Q. Was there any competitor at that time between Philadelphia and the mines?—A. No; but that is local business, it is a small part of the business. The great bulk of the business is the coal shipped from Port Richmond where coal went to New York. That is to say, boats ran from there up to New York, Long Island, and Boston, and even went as far as New Haven.

Q. And the lease of that canal and its control by the Reading Railroad Company would give that company practically absolute control of the coal coming from the mines this way?—A. Only the coal coming from the mines this way; the regular trade and the sale of coal between the mines and Philadelphia. As soon as they went to New York they would meet other companies, the Lehigh Valley, the Hudson; all of them go to New York.

Q. What was the cost of shipment by the canal from the mines to Philadelphia?—A. The price did not vary between the canal and the railroad. Like every other market, it depended upon the value of coal, which fluctuates.

Q. What was the cost of shipping coal by the railroad from the mines to Philadelphia?—A. At one time it was about $1.80. I can not tell you now.

Q. Do you know what it was to New York?—A. There was no rate made by the railroad for freight to New York. There was a rate made from the mines to Port Richmond and a separate arrangement for coal to go by vessel from Port Richmond to New York. I think they could take to New York cheaper than we could to Elizabethport. We got a very little business to New York. I think that cost of transportation was 12½ cents.

Q. After the canal was leased to the railroad company, the railroad company then had considerable business to New York?—A. Always.

Q. And they bring all the coal for New York down to Port Richmond?—A. It was just a shipper in that respect; they did not control it.

Q. It owns no coal?—A. I do not know about that; but it had no coal when I was president.

Q. It did not have the canal while you were president?—A. No.

Q. As you were a director in the company, I ask if the railroad company did not largely increase its New York business after the canal company came under its control?—A. I have no doubt it did, althoug I can not tell you from memory. It had the addition of the canal trade to New York, but that did not increase its business on the rai road. But that portion done by the canal was an addition of course.

Q. Was the railroad company shipping its own coal down the cana I mean for New York?—A. I do not know; I presume they did. Th system is this: A dealer in coal is usually known by what is known canal men and railroad men; that is, he prefers his shipment by water by rail. For instance, there is a large dealer on that canal by the na of Kelsey and another one named Lowry, and they have no conne tion by rail and the coal must come by canal. Then there are othe who have no canal connection and must get it by rail. When they gi an order, they designate the way in which it is to be shipped.

Q. How much did these coal lands cost the Reading Railroad Co pany?—A. That is in the report; $6,000,000 or $8,000,000; I do n remember the amount.

Q. Does that appear in these reports?—A. Yes, sir; to a dollar.

Q. There is a large debt on that coal and iron company?—A. Yes, double debt. They buy a tract of coal land without paying for it, with a small margin of cash, and the seller would require a mortgage the land to secure him his payments. Then they issue the coal and ir company's bonds, which were a second mortgage on the same land raise the money; so there were two mortgages for the same purchase

Q. Well, a second-mortgage bond was issued to secure that money? A. As a general mortgage on the property.

Q. I understand you, but still that money was received to pay t first-mortgage debt?—A. In some cases.

Q. How?—A. The seller would take his pay, so much in cash and much in coal and iron company's bonds, and as additional security would hold mortgages on his premises so as to secure him for his sa

Mr. CHIPMAN. Now, do I understand you that in addition to that the were general bonds issued on the entire property?

The WITNESS. That was issued by the railroad; for instance, a ge ral mortgage as a blanket that covered them.

Mr. STONE. Do you know the amount of that?

The WITNESS. I think the nominal amount is $60,000,000, and I thi the amount issued is about $40,000,000 of the general mortgage.

Q. What interest did these $40,000,000 or $60,000,000 bear?— Seven per cent., I think.

Mr. CHIPMAN. That was given on the coal lands generally?

The WITNESS. On all the property in general.

Q. The railroad and coal company?—A. Yes; coal, cars, and gines.

By Mr. STONE:

Q. What do you mean by saying the amount was nominally $60,0 000 and actually $40,000,000?—A. A portion was not issued. An denture was drawn for $60,000,000 or $68,000,000, but I think they w not issued. In this report of 1876 this is all pooled and the gene mortgage was $9,900,000. Have you a later report than this? Th $9,900,000 represents the amount that was actually sold.

Q. Here is a report for 1885.—A. Well, that is right. In 1875 it wa $9,000,000, but in 1885 it was $24,680,000, and here is another ent of $1,600,000, that makes $25,500,000. The mortgage, I think, wa $40,000,000, and there is only then issued $25,500,000, so that that is th real amount of that debt. The indenture provided for a larger de than was used.

Q. Did you say those bonds were bearing 7 per cent.?—A. There were two classes of general mortgages, sixes and sevens, I think.

Q. Do you know what disposition has been made of those bonds, how many are now outstanding?—A. I do not. [A constitution of the State of Pennsylvania for which the witness had sent out was then handed him.] Here is the constitution and here is the clause; shall I read it?

Q. Yes, if you please.—A. The constitution of the State of Pennsylvania, adopted in 1883, article 17, relating to railroads and canals, section 5: 7

> No incorporated company doing the business of a common carrier shall, directly or indirectly, prosecute or engage in mining or manufacturing articles over its works; nor shall such company, directly or indirectly, engage in any other business than that of common carriers, or hold or acquire lands, freehold or leasehold, directly or indirectly, except such as shall be necessary for carrying on its business; but any mining or manufacturing company may carry the products of its mines and manufactories on its railroad or canal not exceeding 50 miles in length.

There is the law on the subject and that is the clause to which I have referred.

The CHAIRMAN. I have heard it said that was because the railroad corporations owned the legislature. You knew it was stated in the newspapers some years ago, during Mr. Scott's time, that a member moved to adjourn your legislature if Mr. Scott had no further business for it to transact.

The WITNESS. Yes, sir. That was the reason the new constitution adopted that special legislation.

Mr. STONE. Is this railroad company now engaged in the business of mining in contravention of the State constitution?

The WITNESS. That is an open question.

Q. Why is it an open question?—A. The right to do so was given by the charter of the Coal and Iron Company, passed in 1871.

Q. That was before the constitution?—A. The constitution could not be retroactive. It could not prohibit them from buying lands and mining coal. They had that right prior to the constitution.

Q. It is upon that ground that the company holds that it is not affected by this provision of the constitution?—A. Yes, no doubt it is.

Mr. CHIPMAN. You think, then, that the incorporation of the coal and iron company gives the right of mining to the railroad company; how is that made out?

The WITNESS. Only in this way: the coal and iron company mines coal, but the railroad owns the coal and iron company, therefore it is a miner; but on the basis referred to it is not a miner.

Q. So, then, a constitution can not come in and take away their rights which were vested at the time it was passed?—A. That is the point.

By Mr. ANDERSON:

Q. Allow me to call your attention to section 3 of the act incorporating the Coal and Iron Company. It says:

> The said corporation shall have power to purchase, sell, transport, and mine coal, [illegible] and manufacture iron, and for this purpose the said company shall have [illegible] to acquire, by purchase, lease, or otherwise, such lands, etc.

And [illegible] section 5 is this clause:

> [illegible] shall be lawful for the president and directors of said company to [illegible] release the lands or stock [illegible] incorporated company in the State of Pennsylvania, and for any [illegible] existing under the [illegible] this State to subscribe for or [illegible] or purchase or guaranty the [illegible] of the company hereby incorporated

We have drawn out in evidence from Mr. Whiting, and from M McLeod and some others, the fact that the Coal and Iron Company nev has engaged in transportation.—A. I believe that is true.

Q. That being true, and the Coal and Iron Company existing as legitimate corporation, is it not a remarkable fact that it was owned a is owned by the railroad company; would that give the railroad co pany exemption from the articles of the constitution so far as that go Furthermore, you being correct in the statement that the original char of the railroad company gives to it no other power than that of a c mon carrier?—A. I think there is very little doubt about that.

Q. That being the case, has this act of the Laurel Run Improvem Company amended the Reading Railroad Company act; in other wo has the Reading Railroad Company to day no greater power than legislature conferred upon it in 1838, or whenever it was?—A. A tinction between the Reading Railroad Company since the mining c pany was established?

Q. The iron company at the time the constitution was adopted I not engaged in transportation?—A. No.

Q. And of course it can not be affected by that clause?—A. No.

Q. The point is, at that time the Coal and Iron Company was no carrier?—A. No, and it is not now.

Q. Therefore the Reading Railroad Company has no power wl ever. Has, within your knowledge, the Reading Coal Company e been engaged in the work of a common carrier?—A. I think not. think not, for, as I understand it, a common carrier is one who car for hire.

Q. Yes.

By Mr. PARKER:

Q. You spoke awhile ago of the probability of the accounts of Reading Railroad being doctored with a view to affecting the p of the stock; have you noticed recently that there have been la dealings in the Reading stock at the New York Stock Exchange A. No, I think not.

Q. Have you noticed the reports?—A. I have not.

Q. You would notice whether there were?—A. No, sir.

Q. Did you at any time notice the articles in the North Ameri Review written by Mr. Robert Hudson relating to the anthracite fields of Pennsylvania?—A. What is the title of the article?

Q. The title of this is, "The anthracite coal fields?"—A. I get a g many of them, and I suppose I have seen them. When was that?

Q. In January, 1887.—A. No, I did not see that.

Q. When did you go out?—A. The summer of 1869.

Q. Have you paid attention to the workings of the railroad comp from that time to this?—A. Yes.

Q. What have you known as to agreements and combinations limit the production of this company and others joined with it?— have no knowledge except what I read in the newspapers.

Q. Have you any knowledge of any combinations or other arran ments to raise the price of coal to the consumer?—A. I have read i the newspapers.

Q. Was there during the period of your presidency or since t time?—A. I have no knowledge of it; there never was in my time.

Q. What knowledge have you of the actual cost of the Reading R road Company as compared with its apparent capital?—A. The cos the railroad, of its works?

Q. Yes, sir.—A. That is an impossible question to answer.

Q. From your knowledge of the road and its business, its financial organization, its present stock, its present bonds representing capital paid in, what portion of that is what is called "water"?—A. In a direct sense it represents capital paid in. The State constitution provides that no stock shall be issued by a railroad company except for money received or work or services performed, and any stock issued which does not represent one of those two things is null and void; and in that sense the company's stock represents bona fide money received. But the $15,000,000 of those bonds issued to pay dividends was water. They borrowed the money and gave it away.

Q. Then if the railroad management now has so adjusted the payment to its workmen and the prices of its coal sold as to raise money to pay the ordinary interest upon its indebtedness, it is also raising money from these sources to pay the interest upon $15,000,000 of money given away?—A. Undoubtedly, necessarily so.

By Mr. STONE:

Q. What was the financial condition of the Reading Company when you terminated your connection with it as president?—A. It was perfectly solvent; it had no floating debt. The total amount of the bonded debt was—I forget whether it was $5,000,000 or $7,000,000.

Q. The total amount?—A. The gross debt was from $5,000,000 to $7,000,000.

Q. What was the mileage of the road at that time?—A. The mileage of the road proper was the same as it is now, but the number of leased lines was not as great.

Q. Then the mileage of the road proper was the same?—A. Yes, the mileage in the coal district was substantially the same. Have you a map of the coal regions here? That is not in evidence, but you will see what I mean. [A map was handed him.] That is not the one. It is a small map of the coal regions, only on a small scale [referring to map]. Here is the Reading Railroad. When it gets up there the Reading branches out like the branches of a tree.

Q. Here is another map, will that answer you?—A. I believe it will.

Q. The blue lines represent the Reading?—A. Whenever a man owned a tract of land at a place like this up here the company built a branch line. Some of these short branches have been added since my time.

Q. What was about the mileage of the Reading Railroad proper?—A. Ninety three miles from Philadelphia to Pottsville, and a branch of 4 or 5 miles to Port Richmond, and a branch from Reading to Harrisburg. That comprises the whole main line over which they did business.

Q. Was that all of the mileage while you were president of the company?—A. We had branches in the coal regions, a great many of them; perhaps as many more.

Q. Well, Poor's Manual and some other authorities, and the testimony of the present president, fixes the mileage at 1,600 or 1,700 miles.—A. One thousand seven hundred, I think.

Q. How much of that is leased lines?—A. Nine tenths of it.

Q. Had you any leased lines while you were president?—A. Yes; in the coal region; but none outside of the Schuylkill Valley.

Q. How much does the mileage owned and leased now exceed that when you were president?—A. I suppose it must be four times as much.

Q. Four times?—A. I should think so. It is hard to answer so large figures, but I should think it would be [illegible] times as much at least.

Q. Was your company doing a profitable business while you we
president of it?—A. Yes. When I became president the stock of t
company was worth about $15 in the market. It was paying no di
dend.

Q. What was the size of the shares?—A. Fifty dollars. That wou
be equivalent to 30 per cent., and it was paying no dividends. Af
one or two years we commenced paying dividends in stock; that is
say, we earned the money, but we expended it in cars and other thi
we needed, and we gave the share-holders an amount equivalent to
Before that year, when the stock went up to 87 and 88, and when
had earned the money, we wanted to make a stock dividend, but
stockholders all expected a cash dividend, but when the stock
selling at 80 they would not take the money, but they took the sto
We declared a stock dividend. After I left the company the stock
selling at $65. Then we paid cash dividends of 10 per cent. for f
or five years.

Q. And you had a debt of $6,000,000 or $8,000,000?—A. I have
report of 1870; the total debt stands at $9,500,000.

Q. Was this stock with which the dividend was paid a special sto
not the ordinary stock?—A. It was perfectly indistinguishable from
old stock.

Q. Why did not the management sell the stock in the open mar
and pay the dividend in cash, thereby saving a profit to the comp
instead of allowing it to go to the individuals?—A. I believe th
were two reasons. In the first place, the stockholder, as I conceive
entitled to the profit as much as anybody else; and another reason
in putting three or four millions of stock on the market the pr
would disappear. But if you divide it among 15,000 stockholders,
haps 14,000 would not sell their stock; it does not come on the mar

Q. You were going to explain something in that report?—A. In
report of 1871 the total bonded debt of the company was 9,000,
There was no floating debt.

Q. The report for what year would be likely to show the total bon
indebtedness?—A. The year I left, 1869 or 1870; this is 1871. I can
tell you, but this is substantially correct. I never had any float
debt; only $300,000 was all I ever had, and that was not my fa
Because the United States could not pay its debt I had to bor
money and pay for it.

Mr. **Parker.** For services you performed for the United States?

The **Witness.** Soon after the close of the war, the Government g
notice that it would receive money on call, and would pay 6 per c
interest for it. You may remember that. I had about $3,000,000
cash in bank, for which I was getting no interest, and I took it to
Government and loaned it to them on call on those terms. I purcha
a large quantity of coal cars ready made that I was not expecting
have to buy and which required me to have $300,000 in cash to me
and I drew my balance down so low that I went to the assistant tre
urer of the custom-house and told him I wanted $300,000 of the mon
the Government had of mine on call. He said, "We can not pay it
you: we have such calls upon us every day that we are driven to dea
and we can not pay the money; you must let up." I said, "I must ha
it; I have to make this payment, and I must have the money." He sa
"Can not you borrow it," and I said I would try, and I went to the Fa
ers and Mechanics' Bank and I asked the president if he would l
me $300,000 for 60 days.

Q. You borrowed the money for that emergency?—A. I borro he money, and that was the debt of $300,000, and the Government owed over ten times as much, and said "I can not pay you; you will have to borrow the money." I could have got the money by insisting upon it if I had desired to treat the Government like a Shylock.

By Mr. STONE:

Q. It appears now, Mr. Smith, that the indebtedness of the Reading Railroad Company, exclusive of its guaranties—— A. This is exclusive of guaranties also.

Q. Let us see this [takes report and examines the same]. The total bonded indebtedness of the company was some $7,000,000; you say that was a class of debentures?—A. I spoke from memory.

Q. Well, about that, were you guarantors?—A. We were guarantors.

Q. To what amount?—A. I do not think I can tell you that from memory.

Q. Could you state it approximately?—A. I could not give it; I guess it at $5,000,000.

Q. If you can not find that, we will pass on. I said it appears that the indebtedness of the railroad company, exclusive of its guaranties, amounted to something in the neighborhood of $160,000,000 or $170,000,000.—A. I believe that is true.

Q. How did that enormous debt accrue?—A. By doing a losing business and borrowing money right and left.

Q. Evidently there has been some bad management in some way?—A. Certainly.

Q. Do you know what has become of this great amount of money raised on these bonds?—A. Part of it went to pay dividends, part to pay losses in the business, and part to the purchase of lands.

Q. But you say your company, while you were president, was doing a profitable business and declaring dividends?—A. Certainly, and earning them.

Q. And you had a comparatively small debt then?—A. All that.

Q. Well, how does it happen that immediately afterwards the tide turned?—A. Because they changed the character of the business.

Q. And allowed debts to accumulate?—A. Certainly. They changed the character of the business, and by crooked means the results of the business.

Q. Sort of a wrecking scheme?—A. Rather a reckless scheme.

Q. You say you ceased to be a stockholder about two weeks ago?—A. Yes.

Q. Did you have any special object in ceasing to be a stockholder except to get rid of the stock?—A. I was called upon to pay $10 a share installment by the reorganization of the company. Well, I did not want to pay $10 a share, as I thought it was making a present of that much money, and as the Stock Exchange had made a rule that no stock was salable unless the installments were paid up, I paid up the installments and sold the stock. I would have sold the stock without that if I could have done so, but by selling the stock I got the installment back again.

Q. Perhaps I ought not to go into your private business, but what was the market value of such stock; I mean what could it be sold for?—A. I sold the stock, I think, at [illegible].

Q. After paying up the $10?—A. After paying the $10. There was [illegible] for me. It was sold two or three weeks ago, possibly longer.

Q. Mr. Anderson desires to know how this company got into the hands of a receiver and when?—A. It has been twice in the hands of the receivers.

By Mr. ANDERSON:

Q. When was the first time, approximately; it is not important?—A. I think it was 1881 when it got into the hands of the receiver b going to protest; it could not pay its debts and it had to go there keep the property from being sued.

Q. About what time; it is not material?—A. I think it was 188 When the company went to protest, defaulted its interest, it went in the hands of the receivers to prevent its being torn to pieces by ind vidual suits.

Q. When was that?—A. It was in 1881.

Q. About how long was it in the hands of the receivers at that time?—A. I think about three years.

Q. Has it been there ever since?—A. No; I think it went out of tl hands of the receivers in 1884.

Q. When did it again go into the hands of the receivers?—A. Fro the report of 1885, it was then in the hands of the receivers. That the second time.

Q. It went into the hands of the receivers that year, 1885?—A. think so; yes.

Q. According to that report, can you tell the committee about t amount of indebtedness at that time, why it was thrown into the han of the receivers?—A. I can not. It was not able to pay its debts or terests, and the first time it was taken out of the hands of the receive it was an injudicious act for them to undertake to run it. They cou not do it, and it went back into the hands of the receivers again.

Q. It has recently come out of the hands of the receivers?—A. it has not, as I understand.

Q. I think it was turned over to the reorganization January 9.— I may be wrong; I thought the receivership still existed. It was nounced that it would be taken out of the hands of the receivers t first of January, and I thought that had not been done. This is a qu tion of fact, and I may be wrong.

Q. Can you tell what the plan of reorganization was under which has been gotten out of the hands of the receivers and under which has been operated since?—A. That is in pamphlet form. Here is o of them [referring to pamphlet on the table].

Q. Without going into any details about it, can you give us an ou line of that plan and of its effect?—A. The plan was for the bondhol ers and the stockholders to pay a certain percentage of installments i order to furnish the reorganization committee with ready money to pa off the floating debt.

Q. What became of the original debt, the debt for default upon whic they went into the hands of the receivers?—A. It still lies against th property. They asked the different classes of bondholders to take a r duced rate of interest, say from 7 per cent. to 4 per cent., and so on.

Q. Was that agreed to by all the stockholders?—A. It was agree to by a majority. I do not know that it was agreed to by all.

Q. So they are sealed down?—A. They scaled down their intere and called for installments to assist in meeting the interest.

Q. You are probably familiar with the value of railroad property i the market; what is your opinion of the value of the Reading stock an bonds since this reorganization?—A. I would not own one of them.

Q. In your judgment, from your knowledge of the business whic the company does as a coal carrier and as a general carrier, with i obligations and with this mining property; in other words, as it stan at present, is it possible, and do you think it likely that the compan can afford to lose much without again going into the hands of the receivers?—A. Certainly not.

Q. You think it would probably go into the hands of the receivers?—A. I am sure of it.

The CHAIRMAN. How long did it stay out of the hands of the receivers?

The WITNESS. Not more than a year; but I can not tell you from memory.

Q. It went into the hands of the receivers in 1881 and again in 1885?—A. That was when it was in the second time.

Q. It was then in the second time?—A. I think it was not out more than a year, showing that the act of going out was an injudicious one.

Q. Do you think from the present administration it will stay out a year again?—A. I guess that is the full extent.

By Mr. ANDERSON:

Q. There is a question I would like to ask you with respect to that canal. If it had been in operation as an independent carrier would it have had any effect in keeping down the railroad charges for coal or have regulated the railroad traffic?—A. Well that is a difficult question to answer. I told you there were five other competitors.

Q. Please name them.—A. The Schuylkill Navigation Company, the Lehigh Navigation Company, the Delaware, Lackawanna and Western, the Delaware and Hudson, and the Lehigh Valley.

Q. And those were all competitors with the canal?—A. Yes, and with the railroad company. And if one company went out you see it had hardly any effect with the other four competing companies.

Q. Would it have more effect on the Reading Railroad than other roads, say to local points?—A. Probably not, and for this reason. The principal part of the local traffic is from furnaces and from manufactories. A furnace stands either on the canal or the railroad and gets its coal by either one or the other. Very few are in a condition to ship over one another. If standing on the railroad it would get coal by the railroad and if on the canal it would not get it by the railroad, but if they can get it by either, then that competition would effect the local trade, but not otherwise.

Q. Another point. We had testimony yesterday that at one period since you had connection with the railroad that there was a combination, or there was an agreement, between the several coal carriers by which to regulate the output of coal, and we find it very difficult, indeed, to obtain precise information upon that. Could you give us information upon it, or do you know any person from whom we are likely to obtain the evidence as to whether there does exist either a combination or agreement or outside understanding by which these several carriers either are controlling the supply of coal by the output of coal or by the prices of coal?—A. I have no knowledge on that subject except from the newspapers and by general hearsay understanding. I do not think there has ever been a combination to effect the price. It has been to effect the quantity produced.

Q. That indirectly would effect the price?—A. Yes, that would effect the price.

Q. Would you have any objection to telling why you think so?—A. I have seen many articles in the newspapers both of Philadelphia and New York.

Q. Could you give to us the names of any persons from whom we probably might get to the facts in that case?—A. None others th officers of the company.

Q. They are not likely to give it to us in any large supplies. may have it, but they give it out very minutely.

The CHAIRMAN. They refer us to some other officer, and then we get that man here he refers us to still another officer.

By Mr. CHIPMAN:

Q. Did the leasing of the canal company increase the volume o iness of the railroad company?—A. I think not. It increased t ume of the business in the bank books.

Q. Why, then, did they lease the canal?—A. I can not give a for a foolish act.

Q. You think it was a foolish act?—A. A very foolish act.

Q. Did the lease of it increase the tolls of the canal?—A. I thi

Q. And bring it up to the railroad point?—A. I think not. was no difference in that respect as far as I know.

Q. Was carriage by the canal company treated as carriage and at the same rates; do you know anything about that? Y what I mean?—A. It was treated as the same. To get the total to they added the tonnage of the canal to the rail, and that is th tonnage of the company.

Q. Then the tariff on the canal was different from the tariff railroad?—A. Oh, yes, sir.

Q. Cheaper?—A. Your meaning of the word toll and mine is ent.

Q. What is your meaning?—A. Well, charge on the canal, sa

Q. Well, when they leased that canal, when they did that, di preserve the old rates of the canal company?—A. I believe they

Q. By what authority did this railroad company lease the ca A. That was prior to the adoption of the new constitution and was no restriction.

Q. You understand that was put upon the same ground b that was prior to the prohibitive act?—A. The prohibition d come until three years after.

Q. You spoke about a blanket mortgage.—A. That is a g mortgage, familiarly called a blanket mortgage.

Q. I know what you mean by blanket mortgage, that is a term well known all over the country. Did this blanket mortgage, w about $40,000,000, cover the property of the railroad company a as the property of the canal company?—A. I can not answer yo except from memory, but I have a copy of the mortgages, an volume contains all the mortgages.

Q. As a matter of fact, did it not cover separately the coal la A. No; it covers the railroad cars and engines, boats, steam c leased lines, and coal lands, and was, I think, over everything the

Q. Was that mortgage given by the railroad company?—A. Y

Q. Are you aware that the two companies are distinct in org tion, or do they possess the same organization?—A. By law a d organization.

Q. Did both companies join in this mortgage?—A. I think not

Q. Only the railroad company?—A. I think so.

Q. I understand you that the railroad company claim the ri mining on the simple ground that they were not prohibited from by their act of incorporation?—A. On the additional ground th Coal and Iron Company were authorized to mine.

Q. I said railroad company very distinctly?—A. Yes; but if you insist upon knowing, the railroad company does not insist upon its right to mine.

Q. You are correct there. The railroad company, it seems, has purchased the entire stock, and owns the entire stock of the coal and iron company?—A. I understand that is true.

Q. That is really and absolutely so?—A. I do not know; the law would require the six directors to be stockholders, otherwise they can not be qualified, so there is 30 shares of stock; but it is substantially as you have stated it.

Q. Will you tell me who succeeded you as president of the company?—A. Franklin B. Gowen.

Q. How long did he remain president?—A. Six or eight years.

Q. Did he resume the presidency after his receivership terminated?—A. I can not answer that from memory; I should have to look at the reports. Mr. Keim was president in 1885.

By the CHAIRMAN:

Q. I wish you would tell the committee exactly how long the Reading Railroad Company (if you have the information) remained out of the hands of the receivers?—A. I can not do that, sir.

Q. Can you ascertain whether Mr. Keim, the former president—or rather who was president at the time the second receivership was instituted?—A. That is a matter of record; I can not tell from memory.

Q. You stated a while ago, as you remembered, that this company did not remain out of the hands of the receivers the first time it went into bankruptcy; but a few years?—A. About a year is my recollection.

Q. You also expressed the belief from your intimate knowledge of its present management that it would likely go into bankruptcy again soon?—A. I did.

Q. Well, sir, in the mean time who will have been most benefited—the salaried officers?—A. That is a question as to whether anybody is benefited. I do not know that anybody will be benefited.

Q. But all the officers get big, fat salaries?—A. Well, they get that anyhow.

Q. And somebody suffers?—A. The bondholders and the stockholders.

Q. How about the public?—A. Well, they are the public.

Q. Still all the consumers of coal are another portion of the public?—A. I do not think they suffer.

Q. Not when they pay $7 or $8 for coal?—A. Coal is very seldom retailed in Philadelphia below $6; very seldom.

Q. Well, it is a good deal above that now by retail?—A. I paid $6.50 this year for the coal which I burn in my house and $6.25 last year, which is only a difference of 25 cents.

Q. Well, 25 cents levied on the millions who consume coal is a considerable sum, is it not?—A. It is a very great amount.

Mr. PARKER. Can you tell us how much it sells for to-day here?

The WITNESS. Six dollars and fifty cents, I think.

Q. You do not know certainly?—A. I know that is what I paid.

The CHAIRMAN. When did you buy coal last?

The WITNESS. Some time in the early part of the winter. That was in December, perhaps.

Q. This strike never occurred until last December?—A. I do not think that has affected the price much.

Q. Is it not a fact that coal is selling in Philadelphia to-day for $7 a ton?—A. I do not know. I am not familiar with it.

Mr. Chipman. Have the men who have managed this company you left it grown rich?

The Witness. They are rich, but they have not grown rich knowledge.

Q. How did they get rich if they did not grow rich?—A. They rich before they were connected with the company.

Q. All of them were?—A. I think so.

Q. You take from this time down, have they grown richer?—. is impossible for me to tell; I do not know. They had business know, and probably grew richer from their own business.

TESTIMONY OF ISAAC A. SWEIGARD.

Isaac A. Sweigard, sworn and examined.

By Mr. Parker:

Q. Where do you reside?—A. Philadelphia.

Q. What is your present employment?—A. General superinten of the Philadelphia and Reading Railroad.

Q. Where are you located?—A. 227 South Fourth street.

Q. Is your business mainly located in the city or does it cove whole road?—A. It covers the whole road.

Q. Does it include the Coal and Iron Company?—A. It does no

Q. Simply the transportation of the road?—A. Yes, sir.

Q. How long have you been in this official position?—A. Abou year and three months.

Q. How long have you been engaged with the Reading Railroad? Twenty-four years.

Q. State the capacities in which you have acted for it?—A. C agent, dispatcher, general dispatcher, division superintendent, and eral superintendent.

Q. Previous to becoming general superintendent what were you? Division superintendent.

Q. You are familiar, then, with the lines of the road, its points of ness, its tracking, and its freight in its whole extent?—A. I am.

Q. Where were you at the time of the beginning of the disturba with the employés of your road last year?—A. At Philadelphia.

Q. State the first indications coming to you of such disturbance A. About December, 1886——

Q. What were the indications?—A. The men were dissatisfied.

Q. Well what were the indications that they were dissatisfied? They were dissatisfied, in the first place, with their wages and with officers.

Q. What else?—A. They complained of long hours.

Q. What else?—A. They complained of not being received when had a grievance.

Q. What else?—A. That was about all.

Q. How did you know this?—A. Well, they came—I can not re ber all of them.

Q. At different times?—A. Yes, sir.

Q. Did they present any of these complaints in writing?—A. N that time.

Q. State the date, as near as you can, when the first of these plaints came to you?—A. The latter part of November, I think.

Q. Do you remember the occasion?—A. I do not.

Q. Do you not remember the particular occasion?—A. I do not.

Q. You simply state they came to you?—A. Yes.

Q. Upon what points were they complaining?—A. Those that I mentioned.

Q. Wages, officers, long hours, and not being properly received; those were the complaints?—A. Yes, sir.

Q. Did a committee call upon you?—A. Yes, sir.

Q. A committee of whom?—A. Knights of Labor.

Q. Do you remember the names of any of them?—A. I do; some of them.

Q. State some of them?—A. John Kelly, Joseph Cahill, Bennett, Sharkey.

Q. Did they present any writing at that time?—A. They did.

Q. Have you a copy of it?—A. I have not. I can not find it.

Q. What is the substance of it?—A. It covered some fifteen or twenty points. I remember distinctly.

Q. What species of complaints, if any, were covered additional to the four you have stated?—A. There were about four species, but put in different form.

Q. About how long was this document?—A. I suppose it was 18 inches.

Q. Well, about how many words?—A. I do not know that.

Q. How many pages of writing?—A. About two pages of foolscap, I should judge.

Q. In writing?—A. Yes, in writing.

Q. What did you do with that paper?—A. The committee and I had that paper for two days in my office.

Q. Who had it?—A. The committee and myself had it.

Q. This same committee?—A. Yes, sir. I took two days to go over the matter. I found they had some grievances, and, knowing the men for years, I thought it was proper they should be met, and I did meet them, and we adjusted the difficulties there and then; the latter part of December or the first of January—I think about the 24th or 25th of December, 1886. I tried to find that paper this morning and yesterday, but I have not been able to find it.

Q. Well, as the result, was there a full agreement upon the point presented, and an adjustment that you understood to be satisfactory to both parties?—A. Yes, sir: there was.

Q. When was the next disturbance occurring between the railroad employés and the railroad officers?—A. We had no disturbance after that agreement: we got along very nicely together for three or four months.

Q. Was there any written agreement as the result of this negotiation?—A. There was; they have got a copy of that.

Q. Has the company a copy?—A. I think it has.

Q. Have you a copy of it?—A. I think so: I have not it with me, but the committee has. It is filed in Assembly 6285, Port Richmond.

Q. Will you present that copy?—A. I will if I can find it. You can get it from them if they have it. It is signed by myself.

Q. But sometimes there is difficulty in getting documents from societies, but we do not expect any trouble from the railroad of course, and if you will produce it, you will oblige us. Now, if you will go on to the next disturbance?—A. Possibly three or four months: I can not fix the time.

Q. Do it as near as you can, and tell us what occurred then?–
Well, at different points the men became dissatisfied. For insta
we would make a promotion; we might promote a certain man to
position of dispatcher, and the men would object to it; or possibly
would order engines from one division to another to do some cer
work, and as soon as the engine reached that point the men would
work, which was positively against the agreement. Our agreem
was, that in case any trouble might arise, a committee should see
and that no man should stop work until after this committee had ca
upon me; but they failed to do that.

Q. Was that a part of the written agreement to which you have
ferred?—A. That was a part of it.

Q. Will you give us the date of that agreement?—A. I can not.

Q. Well, about when?—A. I think it was about the 24th or 25t
December.

Q. Was not the agreement dated later?—A. I do not want to
you anything I do not know. I am trying to tell you the truth.

Q. The 24th or 25th of December?—A. Yes, as near as I can say
might have been in January. If it was January, it was 1887. If
agreement is not the 24th or 25th of December, 1886, it is Janu
1887.

Q. Now, then, what more occurred at this interview, at the c
mencement of uneasiness, three or four months after that agreement
made? You told them it contained these provisions?—A. Yes, sir

Q. Go on and state what more you said and what they said.—
do not understand what you mean.

Q. You referred to the agreement when they failed to do as
thought they should?—A. I told you the men refused to perform t
part of the agreement. Understand that they were regularly g
on with their work when they were coming to see me as a commit
They simply stopped work from time to time. Knowing the men,
having been one of them for years, I tried to show them—and tw
three of them, Cahill and Lee, I found to be pretty level-headed me
that time, and also Jack Kelly—these three men, we worked toget
and in that manner controlled what we called the hot-heads. Ab
September, as near as I can recollect, there were two or three bra
men, two of them, named Hummel and Oswall, refused to go on bo
a train at Pennsylvania avenue because the conductor of that train
not a Knight of Labor. It was reported to me by the superintend
and I told him to make a careful investigation, and not take the
off until he knew that he was positively right. He made the inve
gation—in fact, it called him to Reading—and the men admitted t
such was the case. I ordered them to be discharged.

Q. What was this man named who reported this to you.—A. He
the division superintendent, Mr. Cable, at Reading. I ordered the
discharged some few days afterwards, and on my way up the line I
met by a number of the men at Schuylkill Haven, who gave me no
that unless I re-instated those men they would tie up the road. I
them there and then that these men were discharged.

Q. Have you any objections to stating their names?—A. I can
I know they were our men, but they merely met me at the station.
my return I went to Richmond; I think it was in September, as nea
I can say. While there I was met by John Lee, Cahill, and Shark
who told me unless I re-instated those men that there would be troul
that they could not control the men. I told them that these men w
discharged, and if we were to have trouble it would have to come. T

had violated their agreement in refusing to work, and that I could
oon any further, and that we would have to have the trouble. They
ed of me to reconsider it. They told me if I would in some man-
hange that it would make these three men very strong among the
s, and they could control them better. I said to them, "We have
reement, and you men have violated it over and over again, and
now it." They acknowledged it. I was on my way to the Rich-
wharf, and they got into the car and went with me in the lower
and finally I agreed that if Lee, Cahill, and Sharkey would prom-
e to go to every assembly and tell them plainly that hereafter any
efusing to do work under orders to do it would be discharged, and
o committee would be appointed to have them re-instated. I said
m, "If you will do this, I will re-instate those men after a suspen-
f three months," which was agreed to. Before the three months
up I intended to put the men back, but we got into this trouble,
he men went back, which was agreed to.

About when?—A. December, I think. The first I knew of them
had taken the places of men who left our employ at Cressona.
a week or ten days, possibly, when their time was up, they came
me.

So they were still in your employ, and when they came back they
he places of the men who struck?—A. Without asking us to do
fter they had been so employed a week or ten days they called
me at the office, and they said the division superintendent had
d them to Palo Alto to take the places of men who had left there,
hey did not like to do it. They said it was a bad place to go to
hey were afraid. I said, "You will have to do as the superin-
nt tells you;" and they did go up there, and they are working
to-day.

About when was that; when you had this conversation with
—A. It was in December or January, I presume.

After September what other disturbances occurred?—A. Well,
a disturbance at Bridgeport. There were some eight or ten cars
gh coal that was consigned to some party on the Chester Valley
d. I think the party refused to take that coal, and the agent of
al had found sale for it at Norristown, and the coal was brought
geport; but the men at Bridgeport refused to move it because
id it was scab coal.

here was that coal mined?—A. I do not know, sir. They stopped
fting engines at Bridgeport, and, in fact, stopped a good many
main-line trains.

ANDERSON. Where is Bridgeport?

WITNESS. It is about 18 miles north of Philadelphia, between
nd Reading. I sent them word, if I remember rightly, that they
have to deliver that coal, and I think the next day that coal was
ed.

By Mr. PARKER:

hat ended the trouble as to that matter. Was there trouble oc-
after that?—A. Then we had occasion to send an extra shifting
to Bridgeport. We sent an engine and crew from Reading to
port, and the men refused to work because they calculated that
s a part of their work and the men should be promoted from the
s at Bridgeport to do that work. I finally compromised, and we
he road moving.

an you tell us in a few words how you adjusted it?—A. By using
ew men I was telling you about.

Q. What was the next disturbance that appeared?—A. We had Lehigh coal in Philadelphia; coal on Pennsylvania avenue and mond and Burke streets. That coal the men refused to move be it was scab coal.

Q. Do you know where that was mined?—A. I do not know.

Q. Very well; proceed, please.—A. It is called "scab," I think. treated as it was because it was so considered. The cars were t marked with chalk by some one.

Q. They were marked in chalk with just the word "scab?"—A. the word "scab."

Q. Tell us about it.—A. We had that coal delivered in the same

Q. Tell us a little more explicitly about how you managed to ha delivered.—A. I called the attention of the men, John Lee and Cahill

Q. Sharkey?—A. I do not know about Sharkey in that parti case, but I remember Lee and Cahill.

Q. What did you say to them?—A. I explained to them tha were as a common carrier in duty bound to deliver this coal, and I to them that if that coal was not delivered by to-morrow morning certain hour we will discharge every man that refuses.

Q. Did they make a reply?—A. They did, and the committee repo it.

Q. Give us the substance of their reply.—A. They replied it wrong, and they knew they ought to deliver it, but they could not trol the men.

Q. They knew it was wrong and knew they ought to deliver it, could not control the men. What more?—A. The next morning o'clock they reported the coal was about to be delivered, and I f such was the case, and the coal was delivered.

Q. That ended that disturbance?—A. That ended that.

Q. Give us the next please, or the next you can recollect.—A. T was a great many and I have forgotten them.

Q. I will like to have you specify as many of these as you can r lect, and what information you have as to the origin of the dist ances.—A. I think the next one we had was at Richmond.

Q. Describe that one there.—A. We have had so many of t About the 20th or 21st——

Q. Of December?—A. December. We had a number of merchan cars that we desired to deliver into Taylor & Co.'s yard at Richmo

Q. Where were the cars at that time?—A. At Richmond.

Q. How far from Taylor & Co.'s yards?—A. I should judge pos a square or two.

Q. How many cars were there?—A. There were in all some six eighty cars.

Q. Of this consignment?—A. Yes, sir.

Q. State the general character of the merchandise or loading. Cotton and flour. I think the cars contained cotton and flour.

Q. You mean to state that Taylor & Co. hold a general positio dealers or tradesmen. Are they doing a consignment business? They have a grain elevator at Port Richmond.

Q. They do a large grain business?—A. Yes, sir.

Q. And they do a large grain business over the Reading Railroa A. They do.

Q. And they have done so for how long, to your knowledge?—A my knowledge for a few years.

Q. And they were valuable customers of the road?—A. They

Q. Now, if you will go on and state what occurred when the me clined to deliver the cars there?—A. The men refused to deliver any cars to this house because the men employed on the platform did not belong to the Knights of Labor.

Q. On a platform where; in the yard?—A. In Taylor & Co.'s yard.

Q. Whose men were these?—A. Taylor's men.

Q. Who were those men who gave this refusal to you; do you remember their names or not?—A. Our dispatcher.

Q. Give us his name, please.—A. J. S. Flicker.

Q. Who else?—A. He gave it to the superintendent and the superintendent gave it to me.

Q. They gave you this excuse for not moving the cars as directed?—A. They did.

Q. When you received this information, what did you reply or what did you do?—A. Here is a copy of the order which I issued.

Q. Read it, please.

EXHIBIT 31.

GENERAL OFFICE, *December 22, 1887.*

R. B. CABLE, *Reading, Pa.:*

I am informed that several car-loads of flour, consigned to the Philadelphia Grain Elevator Company, are in our Port Richmond yard, and that some of our men have refused to move them. Give orders that the cars be moved, and, if the men refuse, discharge them immediately from the service of the company.

Acknowledge.

I. A. SWEIGARD.

Q. Will you let us have that copy; you have the original, I suppose?—A. Certainly, sir.

Q. What occurred next; did you get an answer to that; what was the next action in the premises?—A. That order was given over the Reading to the dispatcher at Richmond. The order was issued, I think, about half-past 1 o'clock that same day. That was issued from my office by the Reading. After issuing that order I of course expected trouble, and I went to Richmond.

Q. Arriving there when?—A. As near as I can say, I got there about half-past 3.

Q. Now, proceed, if you please, with the details.—A. I went to Richmond, to the dispatcher's office, merely to see whether my instructions would be carried out.

Q. Tell us what occurred there.—A. When I got to Richmond I found an order had been received there, almost a copy of that, from my superintendent. The dispatcher had acted. There were five crews employed in the movement of freight about Richmond.

Q. You may tell us the construction of those crews.—A. The dispatchers were two: the dispatcher, Mr. Flicker, and his assistant, who is Mr. Hede.

Q. And each crew consists of what?—A. An engineer, fireman, conductor, and three brakesmen, I think. I am not positive as to the number.

Q. Making five or six men to a crew?—A. Yes, sir.

Q. Now, if you will, proceed with the narrative.—A. When I reached Richmond Mr. Flicker told me he had issued the order and had already discharged two or three crews, they having refused positively to move the cars. Before I got to the dispatcher's office, that is, Mr. Hede's office, one of my men told me five crews had refused. It appears that when the order was telephoned from Mr. Flicker's office to Mr. Hede's office, Mr. Hede, being his assistant dispatcher, telephoned back, "I answer for the five crews. We will not deliver these cars." Thereu the five crews were discharged.

Q. Did they include all the organized crews you had at Port R mond?—A. No, sir; they did not.

Q. I mean for local work.—A. Freight work?

Q. Whom you had there for freight work.—A. Yes, sir.

Q. And these were there for freight work?—A. Yes, sir.

Q. Men you had organized for that work?—A. We did.

Q. You say there were no other freight hands you could have us with that work?—A. No, sir.

Q. That there were not other crews which you could have used co sistent with railroad management for that work?—A. There were oth crews there I could have taken.

Q. Now, if you will, proceed and tell us what occurred.—A. T reason I did not take them was, after they found I was in the yard t whistles commenced to blow and I knew very well what that meant.

Q. Whistles began to blow in all directions?—A. I knew that w the signal that something was wrong.

Q. Did you think it was the signal for a strike?—A. I did; an immediately left for home. I thought it would be better for me not make an attempt to deliver any freight cars that day.

Q. Did that end the disturbance on that day in relation to th crews?—A. It did. On my return to the office a committee was th waiting for me.

Q. Who constituted that committee?—A. Sharkey and Hede. think there were three gentlemen, but who the other one was I can remember.

Q. Now, what hour was that on the 22d?—A. Well, I suppose I reach my office about 5 o'clock, as near as I can say.

Q. Now proceed.—A. This committee called upon me and they want me to meet them. I positively refused. I said these five crews w discharged and there was nothing to talk about; if there was anythi else besides that I would talk about it. They said they had not a thing more to say, and left the office.

Q. What next occurred? Did anything more occur in relation to strike or the relations existing between you and the employés on t day?—A. Not that I remember.

Q. Now go on, if you please.—A. The next day——

Q. December 23?—A. The 23d, I think it was Friday. By directi of our vice-president and general manager, Mr. McLeod, I commen looking around for crews to deliver those cars. I at once went to old division where I supposed the men were loyal to me.

Q. You mean by that the division of which you were formerly divis superintendent?—A. I do; and there I selected a sufficient numbe men to man an engine and deliver the cars, which was done that af noon about 4 o'clock.

Q. What did they do at that time?—A. They took the engine ou the house and went down to the yard and coupled up the cars and them in the house.

Q. What do you estimate the number of cars?—A. I do not kn how many cars there were, it may have been eighty-one or eighty-t or it may have been less. I know we delivered the cars, all of them

Q. In Taylor's yard?—A. Yes, sir.

Q. Will you give us the firm name of that firm; is it Taylor & Co. A. Taylor & Co., I think.

Q. The cars were delivered on that day, but was there any interference with your so doing?—A. No, sir.

Q. That was accomplished about what hour?—A. About 4 o'clock, as near as I can remember.

Q. On the afternoon of the 23d?—A. Yes, sir.

Q. Now proceed.—A. I wish you would just ask me what you would like to have.

Q. What happened next in relation to the men who were contending?—A. Of course, the next day most of our men employed at Richmond left us.

Q. That was the 24th?—A. The 23d.

Q. Upon this day, then, most of the men employed there went out?—A. Yes, sir.

Q. Comprising about how many men?—A. On that day?

Q. Yes, sir.—A. I do not know, sir.

Q. Is it not in the neighborhood of 2,000 or more?—A. No, I suppose possibly 300, 400, or 500.

Q. Did they go out quietly?—A. Yes, sir; because we were in such position they had to.

Q. What was that position?—A. We had our men protected.

Q. How?—A. By policemen.

Q. What number?—A. Three hundred and fifty that we could call on.

Q. Were they regular city police?—A. They were.

Q. Paid by whom?—A. I suppose by the city of Philadelphia.

Q. Were they armed?—A. I do not know that.

Q. They had no visible arms?—A. I did not see them.

Q. When did these police first appear there?—A. On the morning of the 23d.

Q. At what hour did you notice them?—A. I did not see them.

Q. Well, as near as you know, then?—A. I arranged for them about 10 o'clock. I expected to have trouble, but I said to the men that I sent to Richmond, "You have nothing to fear, the company will protect you," and I explained to the men just what the protection was.

Q. And that protection was there?—A. It was there. There were not 350 on the ground.

Q. How many engineers left there at Richmond; how many engines were abandoned?—A. I suppose possibly 20 or 30.

Q. Twenty or thirty engineers went out with the others?—A. Yes, sir.

Q. How did they leave their engines?—A. In good condition.

Q. All ready to house, or housed?—A. They housed them.

Q. How many engines were injured; was there any killing of engines?—A. Nothing of that kind.

Q. And nothing was interfered with or taken away by any of the men?—A. Not at all.

Q. Was any violence done to property or persons by this going out?—A. No, sir; not at all.

Q. Does anything else occur to you as happening on that day and in this relation? When did more men go out at that point, or when and what was the next development of the strike?—A. That day they commenced going out all over the line.

Q. You had notice from different points that they were leaving along the line?—A. I did.

Q. When did the going out cease; how long did the going out continue?—A. You speak of train men, or all?

Q. In this strike 2,600 went out in all, did they not?—A. They did, but they went out about 50 or 100 at a time, instead of all going ou one time; they did it very nicely. They went out, say 50 at a time

Q. They went out quietly and simply withdrew from their work, the places were filled?—A. Yes, sir. The last, I think, withdrew f the freight platform there about December 31, if I remember arigh along there. There were still 300 kept on at Willow and Noble stre but these men finally came to the conclusion that they ought to go and they finally did. They withdrew from their places also and t places were filled.

Q. Without any difficulty?—A. Without any trouble.

Q. If there is anything more in regard to the going out that give us any information, we will be obliged to you if you will state it A. This is about all.

Q. About how many men went out in all; 2,600 is what we have b told, and we will be obliged if you can give us more definite infor tion.—A. Twenty-six hundred and forty-five men.

Q. And they were all out at what date?—A. I can not fix that ti

Q. Did you see the men complained of by the strikers, who were e ployed by Taylor & Co.?—A. I did. Do you mean the men employ on the platform?

Q. Yes, sir.—A. I saw them the day I was in Richmond.

Q. What style of workmen were they?—A. The same style that employ at work.

Q. Just common laborers, or were they skilled men of any kind? A. I do not know that. They looked to me like other workingmen.

Q. They seemed to be simply day laborers?—A. Yes, sir.

Q. Had you or your railroad company any control over those men A. We had not.

Q. You neither hired them nor paid them?—A. We neither hi nor paid them.

Q. You had no right, then, to say who should be employed there, to employ any man other than those?—A. We had no such right.

Q. They were entirely independent of the management of any me ber of the railroad company?—A. Yes, sir.

Q. Did your company at any time about Port Richmond employ It ians?—A. We may have done so; we employed a good many men the wharf after our men left us.

Q. I refer to the employment of Italians in bodies.—A. We may h after our men left us.

Q. About what time, what date?—A. I think we commenced on 27th of December, or the 28th, along there; we employed men fo week, off and on.

Q. How many gangs of Italians did you employ?—A. I do not kn that, sir.

Q. Do you know of gangs with some 40 or 50 in a gang being ployed who were under one management or one supervision?—A. I not. You are speaking of Port Richmond?

Q. Or that immediate vicinity?—A. I have no knowledge of tha

Q. Have you a knowledge of that being done anywhere in the city A. We had some 30 or 40 Italians employed at the stone quarry.

Q. Is that all you know of the employment of the Italians?—A. T is all I know.

Q. Very well, I do not care to inquire any further in regard to t You issued an order requiring the men to come back by the 27th o disbarred from going into the railroad service after that date?— have a copy here.

Q. I think we have a copy of it.
It is as follows:

EXHIBIT 32.

NOTICE.

RECEIVERS OF PHILADELPHIA AND READING RAILROAD COMPANY.

Work will be resumed on Tuesday morning, December 27, at the Port Richmond yard. Employés will report for duty at that time. The places of such as do not report will be filled by other men. The men discharged for disobedience of orders in refusing to move the trains to the place of their destination will not be permitted to again enter the service of the company in any capacity.

A. A. McLEOD,
General Manager.

PHILADELPHIA, *December* 24, 1887.

Q. What further orders have you relating to these proceedings, orders or communications?—A. I have nothing.

Q. Could you give us anything further?—A. Not now.

Q. After the 27th did any men come back at Richmond?—A. I do not know whether these men, coal-handlers, came back. Some, I think, came back.

Q. What did you do as to filling their places?—A. We filled their places.

Q. Did you have any serious difficulty in doing so?—A. We had no difficulty; we could get all the men we wanted.

Q. With how much delay, or how little?—A. Two or three hours. I am speaking now of the coal-handlers; I am speaking of the Port Richmond handlers.

Q. You could fill the want there in three or four hours?—A. Yes.

Q. How many did it require to fill those places; of the coal-handlers?—A. Not very many.

Q. About how many?—A. Five hundred men, I suppose, will do the work.

Q. What effect did this strike have upon the delivery of coal and other freight at that point?—A. It detained the coal but not any freight, because we moved the freight.

Q. What effect did it have as to detaining freight elsewhere on the line?—A. Very little; three, four, or five hours, if a day.

Q. Was perishable freight or other freight side-tracked at points on the line?—A. It was not; nothing was side-tracked.

Q. And no other freight?—A. No other freight.

Q. What was the extent of side tracking of coal?—A. I suppose we had at one time from five to eight thousand loaded coal-cars side-tracked.

Q. At different points?—A. At different points; that includes the coal region.

Q. How long did most of this remain side-tracked?—A. I suppose we moved all of that coal in a week or ten days.

Q. About when did that side-tracking occur?—A. It occurred from the commencement of the strike, when the trouble commenced. We commenced side-tracking coal on the 25th or the 26th. Before the 26th it was hauled. We would not run any coal trains, and an order was so issued, and probably these came in after that; that only perishable freights and passenger trains should be run, and our real trouble so far as coal commenced about the 28th.

Q. Which was then side-tracked?—A. Yes; sir.

Q. Aside from this interference with the movement of coal, what other interference was there in the movement of freight upon your during these disturbances?—A. I do not know of any.

Q. How long was this coal held upon the side-track?—A. We c menced to move this coal on the 28th, and I suppose it was eight or days before all of it was delivered.

Q. Was there any interference with your delivering it as fast as y procured crews to handle it?—A. There was not.

Q. You allowed it to wait the convenience of other business, I su pose?—A. We did not. We treat coal-cars the same as other ca After the crews left we put in new.

Q. You handled it as soon as you got the crews to handle it?—A. did.

Q. Now, were there any subsequent occurrences relating to the stri that you can give us? Did you have any further trouble with t strike?—A. We did not.

Q. You have had no trouble since on the railroad in connection w the strike?—A. We have not; in fact we have forgotten that there a strike.

Q. You remember it now?—A. As my attention is called to it, I do

Q. What action was taken, do you understand, in connection with t strike by the Knights of Labor?—A. I do not know what they did.

Q. Do you know that any societies or organizations of labor w claimed to be represented by the men who negotiated with you?- The Knights of Labor were represented.

Q. Was it your information or understanding that the Knights of La directed the non-delivery of Taylor & Co.'s consignment?—A. Yes, the master workman of 6285 gave the order not to deliver it—Mr. He

Q. Was the reason for the order stated?—A. It was not.

Q. Upon what ground was the order based, as you understand it A. Because the men employed in the house, as I told you before, w not Knights of Labor.

Q. Now Mr. Anderson wishes to know what means of knowledge have, or source of knowledge, that this officer issued the order?— would rather not answer that question. I have the facts and I tell it is so. It was not published.

Q. The information came to you so that you rely upon it?—A. I kı it is so, and if Mr. Hede is here he will not deny it.

Q. Can you tell me the price at which coal has been selling in the of Philadelphia for the past month?—A. Some of my friends have $7.50 a ton for coal.

Q. Has it not gone up in some parts of the city to $7.75 a ton?- Not to my knowledge. They may have sold it at $8 possibly, by buc possibly $8.50. I know that some of my friends have purchased at $7.50 a ton, and I believe it is selling now at $6.50 to $6.75 a to

Q. Is it now being sold at $7?—A. According to this paper; yes,

Q. In this paper it is put at $7, is it not?—A. Yes sir.

Mr. CHIPMAN. What paper is that?

The WITNESS. The Record, I think.

Mr. PARKER. The Ledger, is it not?

The WITNESS. Yes. I was mistaken; it is the Ledger.

Q. The witnesses have stated to us that it was agreed with the road company that no man should be discharged without being h and his case fairly considered, and that the railroad while under agreement discharged these men, and that they considered this disch of these first men who were discharged a violation of that agree and that that in fact occasioned a lockout, and that this movement not a strike but a lockout for that reason. Will you explain your view of that?—A. As I stated before, when we discharged these men three men of the executive committee, Mr. Lee, Mr. Cahill, and Mr. Sharkey, promised me to go to every assembly and state to those men that hereafter any man refusing to do work when ordered to do it would be discharged, and no committee appointed would be considered. I considered that that relieved me of anything I had done before. Lee, Cahill, and Sharkey, those three men, understood it in that way. They understood it that day at Richmond. They had broken their agreement two or three times with me, and I said to them, "We have both violated our agreement; now, then, we will start fresh. You go and tell those men what I will do from this day if the men refuse to work. If there are any grievances you men know where you can always see me." I was with these men for many years, and felt an interest in them. I did not want to get them into any trouble. I tried to keep them straight. I want to say that about half of my time in 1886 and 1887 was taken up with talking to committees. I wish to say that there are many good men I know in the Knights of Labor, but there is also a lot of hot-heads they could not control. They admitted to me it was so. There are many good men among them.

Q. You understand that prior to this discharge that no men should be discharged without a hearing?—A. There is no doubt about that; that was our agreement.

Q. Now, was that provision incorporated in the written agreement to which you have referred, made in November, 1886?—A. It was made in November or December or January, probably the 12th or 13th, I think, if I remember it rightly. There are some fifteen or eighteen different points in that agreement, and this was the thirteenth, if I remember that agreement.

Q. Now, if you will proceed in that?—A. I think some of our friends of 6285 will be able to give it. I see Mr. Bennett present, and I have no doubt he can give it.

Q. Mr. Bennett, have you that agreement?

Mr. BENNETT. It is at Port Richmond.

Q. Can you get that?

Mr. BENNETT. I can get the original of it.

Q. (To witness). You understand we do not excuse you?—A. If you gentlemen want to know what took place at one of the interviews, that is one of the gentlemen who called on me at Ninth and Greene.

Q. You mean the time that there was some sharp talk which caused you to call them some names?—A. Yes, sir.

Q. What day was that?—A. On the 20th of December. I have heard a good deal of talk in the newspapers about it, but I said nothing.

Q. Tell us where you were?—A. Here is a copy of a telegram I received about 4 o'clock on December 26th.

Q. Read it, please.

EXHIBIT [illegible]

[illegible] Dec. 26, 1887

J. A. SWEIGARD:

W[illegible] committee before the [illegible]

JOHN LEE

Q. What was done in reply to that?—A. I made no reply.

Q. What next occurred?—A. As I said, I received that about 4 o'clock. About 5 o'clock I was asked for an answer.

Q. By telegraph?—A. The operator at Richmond called up the operator at my office and wanted to know if Mr. Sweigard was in his office; my operator said, "What do you want?" He replied, "I want a answer to the message sent to him. Mr. Lee wants an answer; wha shall I say to him?" He said, "Say to Mr. Lee that when Mr. Sweigar gets back he will answer it," which I heard go over the wire. Afte dinner, as is my usual custom, I went to Ninth and Greene.

Q. What point?—A. To the superintendent's office at Ninth an Greene.

Q. You arrived there at about what time?—A. I suppose about o'clock.

Q. In the evening?—A. Yes, sir.

Q. Proceed.—A. While in his office these very gentlemen that ha been appointed on this committee filed in.

Q. Who were they?—A. John Lee, Sharkey, Kelly, and I think M Harman. I do not remember the names of the others, but there we some seven or eight of them.

Mr. STONE. Where was this?

The WITNESS. At the corner of Ninth and Greene.

Mr. PARKER. Proceed now.

A. Among other things Mr. Lee said, "We came here to know a see whether this matter can not be arranged." I told him there w nothing to arrange. I told them the men were discharged for disob ience of orders, and that they would remain discharged, never again be employed by the company. He said, "Did you get a telegram fr me?" I said, "Yes, I did." He said, "I got no answer, and I dema an answer." I took it out of my pocket and read it. That is a copy it. He said, "Well, what answer to this; I demand it." I know I us wrong language, I admit——

Q. What was it?—A. I said, "Issue your order and be damned."

Q. What next?—A. Of course I can not tell you everything.

Q. Well, as near as you can?—A. I remember Mr. Lee asking me the close, "Will you meet a committee of the Knights of Labor?" said, "Never."

Q. Proceed.—A. I stated to him very plainly that the men that w discharged would remain discharged, never again to be employed as lo as I was with the company, or in other words, using my own words—

Q. Use your own words.—A. "It would be a damned cold day wh any of them come back." John Lee left the office when I said to h that I would never again see a committee of the Knights of Labor; says, "That settles it; let her go." I meant by that that now we wo see the worst, and after what I said I certainly would not have agr to anything. The next morning——

Q. What occurred the next day?—A. The next morning Mr. Lee cal at my office, and he says, "There must be no misunderstanding." I s to him, "Mr. Lee, I spoke very plain last night, but I will write it that you may understand it and that all may understand me." Thi a copy of the paper I handed him personally about 10 o'clock:

EXHIBIT 34.

PHILADELPHIA, *December* 27, 188

(1) No men who have been discharged will be re-instated, nor will they be pern ted again to enter the service of the company.

(2) The new men who were engaged when the old ones went out will not be charged, but will be maintained in their positions and will be given work as lon they properly perform their duties.

(3) Men who were called upon for service and refused or neglected to appea perform it, and whose places have been filled, will not be taken back for the s position. If any position is still open and immediate application is made, and men are satisfactory to the company, they will be given employment.

That is the copy Mr. Lee took from me the morning of the 27th, the morning after the interview.

Q. What next?—A. That is all.

Q. Did anything further occur of consequence in regard to the strike that you know of?—A. Nothing that I know of. Many things occurred possibly I might recollect if you called my attention to it. I would like to read a copy of a telegram I sent all over the line the next morning, the morning after this interview.

Q. What is the date?—A. December 27.

Q. Read it, please.

EXHIBIT 35.

GENERAL OFFICE, *December* 27, 1887.

R. B. CABLE, C. M. LAWLER, A. M. WILSON, H. W. TRACY, W. G. YETTER, M. F. BONZANO, S. GARWOOD, J. O. KEIM:

I have been misrepresented as favoring arbitration. Such a course has never been contemplated for a moment. There is nothing to arbitrate; nothing to discuss even; any men desiring to retain their places must return immediately and unconditionally, or they will be filled with others.

I. A. SWEIGARD.

Q. Was that posted over the whole line?—A. Yes; at all the stations, shops—everywhere. The telegraph operators made copies and posted them. I saw them at a number of stations not a week ago.

Q. Written copies?—A. Yes, sir.

Q. Is that all you wish to state in that regard?—A. That is all.

By Mr. CHIPMAN:

Q. When did the strike at Port Richmond commence?—A. On the afternoon of the 22d.

Q. When were the police sent there?—A. On the morning of the 23d.

Q. Were the men generally at work at that time?—A. There were some working.

Q. Were not the most of them at work when the police went there?—A. No, sir; not the most of them.

Q. Did you on that morning refuse to meet a committee of workmen and talk the matter over?—A. On the morning of the 23d?

Q. On the morning of the 23d, I think you said, when the police went there, whatever morning that was.—A. Yes; I refused to meet them that afternoon. That is, to talk over any matter connected with the delivery of those cars.

Q. Well, you refused to see them?—A. No; I did not refuse to see them.

Q. You refused to meet and talk over any matter connected with the discharge of the men who refused to move those cars?—A. Yes, sir; I did.

Q. On the 26th of December did a committee of workmen come from the city of Reading and call upon you and tell you that they wanted to make a statement, of which committee Mr. Lee was a member?—A. I do not know where they came from, but that was the committee.

Q. Never mind that. Did a committee call upon you?—A. Certain gentlemen called on me.

Q. You mentioned the names of three or four—Sharkey, Lee, Harman. Who else; Hede?—A. I do not know whether Hede was there or not.

Q. Bennett?—A. Bennett, I think, was there; I am not positive. No, Mr. Bennett was not there.

Q. Did those gentlemen, or any one of them, when they came here to see you, tell you that they wanted to abide by the order issued by General Manager McLeod on the 24th, which stated that all employés wh did not report for duty on the 27th would be discharged from the servi of the company?—A. They did not.

Q. Do you understand positively that they did not say that?— I do.

Q. Did you on that afternoon, the afternoon of the 26th, in the pre ence of this committee, agree that all employés who would report fo duty in the morning could go to work and would not be discharged?- A. I did not.

Q. Did any men report in the morning that you know of who wer discharged?—A. At Richmond they did, and the order only referred t Richmond.

Q. Were men discharged anywhere else?—A. They were.

Q. Were representative laboring men discharged anywhere else alon the line?—A. Yes, sir; they were.

Q. Who were they?—A. I do not know.

Q. Do you know they were discharged?—A. I know they were di charged.

Q. Who were discharged at Port Richmond?—A. On that mornin

Q. Yes, sir.—A. I do not know of any discharged at Richmond o that morning.

Q. On other mornings, do you mean?—A. The 27th.

Q. Were all the crews discharged?—A. They were discharged whe they left our service. There was no occasion to discharge them.

Q. Did not Mr Lee request you in that interview on the 26th to p in writing your agreement that all the men who reported the next mor ing could go to work?—A. Mr. Lee asked me to put in writing that refused?

Q. No, sir; I want you to answer my question. I will put it agai Did Mr. Lee ask you to put in writing the agreement that the men wh would report the next morning, that is, the 27th, could go to work an would not be discharged?—A. He did not.

Q. Did you not refuse to put any such thing in writing at his r quest?—A. I did not. I can explain that, if you will allow me.

Q. Make your explanation when I get through. We do not want an more speeches. Did you not on that occasion, when he made this r quest, attack Mr. Lee on the question of your veracity? Did you n attack him in that connection?—A. It was in connection of that kin

Q. Did you not attack him on the question of your veracity on th question?—A. You are not putting the question fairly to me.

Q. I am giving you his testimony for you to contradict it.—A. I d not.

Q. Did not Mr. Lee tell you that he did not doubt your veracity, b that you had deceived some committee in the past, and that they d question your veracity, and he would like to have you put it on paper? A. He did not.

Q. Did Mr. Harman say the same thing?—A. He did not.

Q. And did you not say that there were five or six men present, a you thought that was witness enough?—A. I did not.

Q. You deny entering into any such agreement as that stated these questions, and therefore, of course, you say you did not live up it?—A. Not the way these questions are put.

Q. This is the way?—A. I say I deny it all.

Q. Now, sir, on the subsequent day, the day after, did not Mr. I and others call upon you to know why you had not carried out t terms of the arrangement you had made?—A. They did not. Mr. I called on me the next day.

Q. Did he call for that purpose?—A. He did not.

Q. Did you not, in an interview on the next day—that is, the 27th, when your general order (I think it was signed by you or some one else; I do not know about that), that the men would resume work on the 27th—did not that committee, in that interview—Mr. Lee and some of them—and did not you say, with the order in your hand, "I will meet you, but that order can go and be damned," referring to this?—A. Nothing of that kind; I deny it.

Q. We wish to have your side of it; we will give you an opportunity to explain anything that is not true stated by these gentlemen, if you desire it. Did you not then and there, in the presence of this committee, Mr. Lee and others—did you not say that that committee would not come to see you until they knew they were whipped; did you say that?—A. Are you speaking of the morning after this interview of the 26th?

Q. I am speaking of the morning of the 27th and of the committee of the 27th.—A. I deny it.

Q. Did not you further say I have out-generaled you?—A. I did not.

Q. Did not you say, "If I had the power at my back you people had I could have gone in and won?"—A. I deny that.

Q. Did you not say the "Knights of Labor and their leaders have no brains; they are damned cowards"?—A. I deny that, but I did say that that night at Ninth and Greene.

Q. And not to the committee of the strike?—A. Mr. John Lee came to my office——

Q. Did you say that to Mr. John Lee that night?—A. I may have said that. That is what I said there at Ninth and Greene.

Q. Was not Mr. Sharkey present when you said that?—A. Yes, sir.

Q. Who else was present when you say you said that?—A. A committee of six or eight other gentlemen.

Q. At this time?—A. Yes, sir.

Q. When you said that did not Mr. Sharkey interfere, did not you call him a liar and say the truth was not in him?—A. I called Sharkey a liar and he admitted he was a liar. I said that and he admitted it.

Q. What did you call him a liar for? What did you use such language for? You are the superintendent of a great corporation, and do you think it is discreet and gentlemanly as it head to curse and swear and use such language?—A. I do not.

Q. Do you consider that worthy of you?—A. It is all wrong I know, and I will apologize. But when a man has been up three or four nights worried and perplexed about a strike he should not be held strictly accountable.

Q. I suppose that a man staying up nights gets in the habit of swearing; I have no doubt of that. Did not Lee say this: "Mr. Sweigard, I did not come here to fight, I came here to make peace, I came here to try and prevent this strike from going any farther. Now what are your terms, what do you want"?—A. He may have said that.

Q. Did you reply, "I want these five crews discharged, never to work again for me in this company. I farther want the discharge of Ambrose Hede, master-workman of 6258, and the discharge of Bernard Sharkey; they shall never work a day for this company?"—A. I may have said that.

Q. I want to know what you said; if this is so?—A. If Mr. Lee says it——

Q. He does say it?—A. I suppose it is so.

Q. Did not Mr. Lee say to you at the same time, "I think we could manage to support those men; it was better to have that many di charged than to have trouble along the whole road;" and then adde "Is there anything else that you want." Did Mr. Lee say that in repl to you?—A. He said that, I think.

Q. Did he say that?—A. I think he did.

Q. Did you reply that that would do?—A. I did not.

Q. Did you not then shake hands with Lee and say, "If you will advised by me, you will declare this strike of;" and then say, "If yo committee comes to me in a few days, we can fix things all up?"—A. did not. I did not shake hands with Lee.

Q. Did Lee agree to declare the strike off?—A. I do not rememb that. He did not.

Q. Did you know whether Lee went down to the Philadelphia Ledg office at 2 o'clock in the morning of that day, and also to the Pr office, to notify the public that the strike was off?—A. I did not.

Q. And that the men would not be discharged who reported in t morning?—A. I did not know anything about that.

Q. Did you have a knowledge of these things in the interview whi you said you had with Mr. Lee on the 26th?—A. I did not.

Q. Are these things true?—A. Some of these things are correct a others are not.

Q. You say that the men did not come to work in the morning, c tain men that you had?—A. The men who were discharged did not to work.

Q. Who were these 2,600 men?—A. Train men and others.

Q. These men, could not they begin work on that day?—A. Th could not, even if they wanted to. Mr. Lee's committee understood tl and why they could not.

Q. Why is it these 2,600 men could not go to work?—A. Becat they refused to do our work.

By Mr. PARKER:

Q. Is there any matter about which you have not been asked a which you wish to give an explanation?—A. After I refused to see t committee of the Knights of Labor I was asked the question, woul take it up and consider it if this trouble was over. I said, "Gentlem you can see me at any time as employés." They said, "Let us have tl in writing." I said, "Gentlemen, why do you want anything? I the last six or eight months we have been getting on all right." N I took each man, I started at the head man, and asked each one if I h ever promised anything, or made any promises that I did not do. Tl answered, "Never." I said, "If that is so, why should you want this writing?"

Q. Is there any further explanation of any of these matters you w to make?—A. I do not know there is anything I wish to say further

Mr. CHIPMAN. Recollect, I have gone over the testimony of Mr. I for your benefit; the testimony is before the committee and I ha given it almost verbatim, so it is only fair to give you an opportun to oppose that, and any explanation you wish to make you are at libe to make.

The WITNESS. I am much obliged to you.

By Mr. STONE:

Q. Mr. Lee tells us that, while he was in Pottsville after the str had begun, you sent him a telegram to come to see you.—A. I did n I sent a messenger.

Q. Well, sent a messenger; I believe that was his statement;

e came to see you in regard to it.—A. Yes, sir. Do you wish me plain that part?

What I want to ask you is, whether you refused to talk to him in resence of Mr. Bennett?—A. I did not send for Mr. Bennett; I or Mr. Lee.

Did not you refuse to talk with Lee in the presence of Bennett?— did.

Lee says you said to him that you wanted him to set you straight?— othing of the kind. I was straight all the time. I did not re- anybody to set me straight.

You did not say that?—A. I did not.

That you said to him that you wanted to give him a better posi- han the one he had?—A. Nothing of the kind.

The question was asked Mr. Lee:

> hat did you understand Mr. Sweigard wanted you to do?—A. He wanted me $2.50 a day for my services as machinist when I did not work for the company.
>
> o do what?—A. That is best known to him, and not to me.
>
> hat did you understand, that he was trying to bribe you?—A. I so said to I said, "Mr. Sweigard, it will not do for me to do anything of that kind. I ad a good character, and do not want to blemish it by accepting compensation his company while not doing actual work for them and the men paying me

such a conversation as that occur between you?—A. Never.

Nothing in substance to that effect?—A. Nothing of the kind.

Now what did you want to see Mr. Lee for?—A. I will explain We had a great deal of trouble at the upper end, and John Lee g always been considered a cool-headed fellow. I took him out of achine-shop at Ninth and Greene and sent him to Pottsville nage the men there. I paid John Lee, and I have a voucher for do that service. When I found out afterwards that John Lee ting dirty with me, instead of telegraphing to him I sent a man tsville to tell him that I wanted to see him at my office at 10 Wednesday morning. He wanted to know of the messenger I wanted, but the special officer did not know, and he delivered ssage. He wanted to know whether this was to be a compromise at, but the man could not tell him anything except that Mr. ard wanted to see him. The next morning about half-past 10 I received a card that Mr. Lee and Mr. Bennett were there. did not send for Mr. Bennett. I had refused to meet a commit- the Knights of Labor. I have no objection to them if they will n with their work. In passing backwards and forwards I passed he sat, and I said, "John, I will see you now." Mr. Bennett rose I said, "I have not sent for Mr. Bennett." Then Lee said, "You t see me without seeing Bennett." I said to Bennett, "Stay you are, I will keep you but a few minutes; Lee, come into the We went into the office and I said, "John, you have always air with me and I want to be fair with you now. You are doing p at Pottsville which is wrong. Now I will give you a chance; go back to Ninth and Greene; this is fair;" but he got ugly and "I discharge you here, right in the room."

s that all of the conversation?—A. That is all the conversation for Mr. Lee to put him back in the machine shops. I had taken m Ninth and Greene. He was a machinist, and I thought it was e than right he should go back to the position. If John Lee will n the train, he will tell you this is just what passed between us.

hat was all the conversation?—A. That was all the conversation.

ou sent for him by special messenger to tell him you wanted to put him back in the machine-shop?—A. I deny that men in the Readin Railroad Company are paid to do anything else. I would not be guil of injuring a laboring man, because I was one myself for a good man years.

Q. What did you send Lee up to the mines for?—A. I did not sen him to the mines. I have not anything to do with the mines. We ha a great many men employed at Palo Alto and Cressona and Schuylk Haven with whom we had a good deal of trouble. I have had lette written me from there calling my attention that if the men there d not do better there would be trouble. I did not bring the letters, b I have them.

Q. I understand you to say that Mr. Lee was in your employ and y sent him up there. What do you mean, where?—A. To Pottsville a Palo Alto.

Q. For what purpose?—A. To keep the other men straight.

Q. Did you send him there as a detective?—A. Oh, no; I would n employ Mr. Lee as a detective.

Q. Did you employ him and pay him to keep the men quiet?—A. sent John Lee there to keep the men at work. If any differences curred with the men to try and fix it and keep me posted; that is wh he did. Mr. Cahill did some of this work for me. Before this intervie I believe John Lee acted square with me until near the close of t trouble, as near as I could find out.

Q. Did you think he was acting square when you sent a messeng for him?—A. I did not think he was then, that is the reason I sent him. I thought he was a dangerous fellow to have up there. I did want to discharge him, but I wanted to give him that position back the machine-shop.

Q. There is one matter I want to find out. You say that when se eral hundred of these men quit work at Port Richmond that you h no difficulty in replacing them?—A. We did not.

Q. Then you could easily get all the men you wanted?—A. Yes,

Q. Is that true of expert labor as well as those known as comm laborers?—A. A man in a week or two would be able to do the wo in less time than that, two, three, or four days. We pay the new m by the week, and in a week they can easily do it, and they get bet and better every day.

Q. When 300, 400, or 500 quit work and went out could you sup their places almost immediately?—A. In twenty-four hours right this town.

Q. If your engineers and firemen and brakemen, could you sup their places without much difficulty?—A. It depends upon how ma go out at once. I could supply their places if they did not all quit once.

Q. What class of men take the places of these 300, 400, or 500 n when they quit suddenly?—A. You mean laboring men?

Q. Yes, sir.—A. You mean what nationalities?

Q. Yes, sir.—A. Well, we have Germans, we have colored men, have Americans, we had some Irish and some Poles.

Q. Were they citizens of the United States?—A. I suppose so; a g many of them. I think they have been here for two or three years.

Q. And a good many of them have not been here for so long?—A do not know about that.

Q. Were there any Poles and Hungarians among them?—A. Poles, we could not get any. The Knights of Labor opened a so house at Port Richmond and we could not get any. I was after so of them. I wanted to get them, because they are a good class of people and do their work honestly.

Q. And very cheaply?—A. No; they cost as much as anybody. We pay a Pole as much as an Irishman.

Q. You found no difficulty in supplying the places of your men when they quit work; did you get men who are wandering around idle seeking work?—A. Yes, sir.

Q. Are there so many idle men in Philadelphia that you can pick up five or six hundred or a thousand or two in a few hours?—A. I think in forty-eight hours I can get you ten thousand men; not in Philadelphia, but I can get them here. Two days after the trouble at Port Richmond we had to turn them away and close the gates. When this trouble came on I had to take a number of men in my office to answer the letters asking for work. I wrote them to stay away, as we did not want them. They were from all parts of the country.

By Mr. CHIPMAN:

Q. I believe the Poles are a very good class of working people as a people; as a rule they are industrious and sober.—A. Those at Richmond behaved very nicely.

Q. We have a great many of them with us, and they are very good people; they will work and make money and save it. Now, sir, in employing people, do you take any pains to ascertain whether they are citizens of the United States or have declared their intention of becoming citizens?—A. We do not. We do not care.

Q. You do not inquire, when he lives under our Government and expects to live under it, as to whether he has any intention of becoming a citizen of that Government or not?—A. If the laborers are able-bodied men we do not care.

Q. You would take Chinamen or anybody else?—A. Anybody.

Q. You say you had Lee, where?—A. At Palo Alto, Cressona, and Schuylkill Haven.

Q. Was he working for the company; what did he do?—A. I do not like to go over it a second time.

Q. But I wish you to go over it a second time. It is not what you like but what we like, because sometimes we make ourselves very plain and sometimes we do not. I am asking this now as much in your interest as anybody's. You have not me on the stand. What was he doing for the company?—A. He was keeping the hot heads of the Knights of Labor straight.

Q. How long was he keeping the Knights of Labor straight?—A. I suppose a couple of months, possibly.

Q. Did you send him up there to do this for you?—A. Yes.

Q. Were you paying him at this time?—A. I paid for part of the time.

Q. What part?—A. Work he performed for me.

Q. How much were you paying?—A. I think I paid the sum he was getting in the machine shops.

Q. How much was that?—A. $2.25; no, I think $2.40 a day.

Q. Did you pay for two months' work there?—A. I did.

Q. What else was he doing up there?—A. I do not know.

Q. How about Cahill; you spoke of Cahill?—A. Mr. Cahill, as I understand it, was at Pottsville, I think, as treasurer of some fund; moneys that were collected for the Lehigh miners. He was acting as treasurer for a labor fund.

Q. Were you paying him at that time?—A. No, sir; I was not paying Mr. Cahill.

Q. Now, in this interview, when Mr. Bennett was along with L you said you wanted to put Lee at work at his old place at the shop? A. I did.

Q. You did not mention wages to him; you did not mention the su ject of wages at all?—A. No, sir.

Q. What were the wages which he had been getting?—A. $2.40.

Q. Was it not $2.50?—A. It may have been.

Q. You did not allude to that at all in the interview?—A. No, sir.

By Mr. PARKER:

Q. Do you mean to be understood that a portion of the time t Lee was doing that special work he was receiving pay from the Knig of Labor, and also from the company at the same time?—A. I do know what he was receiving from the Knights of Labor. I inferre might be so understood by you.

Q. You did not know when he went up there he was acting for Knights of Labor?—A. I did not know.

Q. Did you understand him, before you sent this special messenger him, that he was serving both sides, or did you understand that he simply left off serving you?—A. Well, I do not know. He was servi me. I do not know what he did for anybody else. When I knew he not serving me I sent for him. I watched him.

Q. You found he was not serving you?—A. Yes, sir.

Q. Did you find he was assisting the organization against you?— Yes, sir.

Q. Now, at this interview you spoke of; while talking with Lee your room, where was Bennett?—A. Bennett was in the outer room

Q. Where he could hear what was said?—A. No, sir; fully 20 or feet from the two doors.

Q. Were the doors open?—A. No, they were both closed.

Q. I call your attention to the fact because Lee says he left the d open so that Mr. Bennett could hear, and I wanted your statement to whether it is a fact?—A. It is not a fact. Mr Bennett knows the t doors were closed. That is what I mean.

By Mr. STONE:

Q Was Mr. Lee receiving wages from you up to the time you sent messenger for him?—A. No, sir; he was not.

Q. How long since he had been receiving wages?—A. Possibly long as—I can not say; possibly two or three weeks.

Q. What I want to get at definitely is this: He has testified that Knights of Labor were paying him $2.25 a day. I want now to kn whether he was receiving wages at the same time from you?—A. T voucher will show when I paid him that money. You can readily at that.

Q. Will you produce that voucher?—A. I have got it, and I will p duce the voucher for you. I will produce a copy of it.

Q. We would like to see the original.—A. I will let you see the o inal and make a copy of it.

Q. In the form in which the testimony now appears it places Mr. in the position of apparently acting in two capacities?—A. Well, I not help that.

Q. We want to get at the facts to see whether that is true?— Well, the voucher will show.

Q. Has there been any reduction in the wages of the Reading r road employés in the last few years?—A. The wages of all emplo have been increased.

Q. There has been no reduction ?—A. No, sir; there has been increased wages, because the Reading Railroad Company pays $40,000 or $50,000 additional money a month to the men in wages.

Q. Have the men generally been paid cash ?—A. Not until just before 1885–'86, when it was paid by check. They are paid by check now.

Q. Cash checks?—A. Yes, cash checks. I do not remember when that commenced.

Q. They have been paid by what you call cash checks ?—A. Yes, cash checks.

Q. Explain something about those checks.—A. If they owed you $75 for services performed, they would give you a check for it, which you could get cashed at any place. Any store-keeper would cash it; you could go anywhere and get the money for it, the same as cash.

Q. So that it is a paper on which the holders can draw the full face value ?—A. Yes, anywhere.

Q. Instead of paying you in currency they would give you a check on the bank ?—A. Yes, sir.

Q. All you had to do was just indorse it ?—A. Yes, sir; it is a cash payment.

Q. You have not issued any scrip to them ?—A. Yes, there has been scrip issued since I have been with the company.

Q. Paid also for wages ?—A. Yes, sir; I have had some myself.

Q. Tell us something about that.—A. Well, it is so long ago, I have almost forgotten.

Q. I do not want the history of it, but describe the scrip; what is the form of it ?—A. I forget what the form was, it has been so long ago.

Q. You had some of it ?—A. Yes, sir.

Q. What was it for ?—A. Wages.

Q. If they owed me $75, you would give me scrip for $75; well, what was I expected to do with it ?—A. Get it cashed, if you could.

Q. How long ago was that ?—A. I think it was 1880 or 1881, I forget which.

Q. Not since ?—A. I do not remember.

Q. It is not of recent occurrence ?—A. No, sir.

Mr. CHIPMAN. This matter to Mr. Lee is one of consequence. The reason why I questioned the witness was to get it clearly on the record. If Mr. Sweigard has the voucher of Mr. Lee being paid by the road, I think it ought to be brought here, and Mr. Lee ought to be brought here, so as to give us an explanation of that. Can you have that here to-morrow morning ?

The WITNESS. Yes, sir.

Q. Mr. Lee should be brought here while you are here to explain it.

AUSTIN CORBIN—Recalled.

The committee received the documents presented by Mr. Corbin with the understanding they should put in such portions as they might deem necessary.

By Mr. ANDERSON:

Q. Now, Mr. Corbin, you identify this as being the charter of the Laurel Run Improvement Company ?—A. That is what I asked for, and was given to me as the charter of the Coal and Iron Company.

Q. Can you state whether the Reading Coal and Iron Company has engaged in the business of transporting coal as a common carrier ?—A. I do not know that. It has not since I have had to do with it.

Q. Can you state whether it owned any railroad, except, of cou
the track in its mines, or any engines except engines for switchin
its track at the mines, or uses such engines or road to transpor
coal from the mines to bring it to points of delivery?—A. Never t
know of. It has no interest in any common carrier that I know of.

Q. It has never bought any railroad company ?—A. Not to my kn
edge; not since I have been in.

Q. Can you state whether there is any other provision in the ch
of the Reading Railroad Company as to powers than the followin
contained in section 2? I will not read the preliminary portion of i
cause it is in relation to shares, corporate title, and the ordinary pc
of the corporation, all of which are qualified by the following lang
"*Provided*, That nothing herein contained shall be considered as i
way giving to the said corporation any banking privileges whatso
or any other liberties, privileges, or franchises but such as may be n
sary or incident to the making and maintaining of the said railroa
the conveyance of the passengers and the transportation of the mai
of goods, merchandise, and commodities thereon."—A. I do not
anything about it, sir. It is given to me as the charter of the I
delphia and Reading Railroad Company, and I suppose the inform
to be correct. I take it to be all there under that charter. I car
out by referring to my counsel.

Q. That is the meaning as to the power ?—A. I presume you are
about it. I can not go outside of that.

Q. Do you know of any other act which increases those powe
A. I do not know of any other act. I have given you all I can give

Q. Now, to come to the inquiry of the Laurel Run Improvement
pany. Now, as it appears in the document you present, the nam
changed by the court of common pleas for the city and county of I
delphia to the Philadelphia and Reading Coal and Iron Company.
section 3 is granted the following powers:

> The said corporation shall have power to purchase, sell, transport, and minc
> and to mine and manufacture iron, and for this purpose the said company shall
> power to acquire, from time to time, by purchase, lease, or otherwise such la
> any rights, easements, or privileges therein; and may construct all necessary bui
> and fixtures necessary for the business of mining and for preparing coal for m
> mining and manufacturing iron, and the accommodation of persons engaged in
> employ in the said business.

Now, under that section is granted the power of transportation as
as mining coal. There is in section 5 the following privilege:

> And it shall be lawful for the president and directors of the said company t
> scribe for or purchase the lands or stock of any other incorporated company
> State of Pennsylvania.

The question I wish to ask is, whether, to the best of your knowl
the Philadelphia and Reading Coal and Iron Company has ever bc
any railroad, or ever furnished any means for transporting coal
the point of delivery at the mines to the market?—A. I can a
that by saying it has not since I have been with it. What was
before I can not tell, or what was not done. I do not know, sir.

Q. There is another question I would like to ask. I think I
nothing else. The point I have is, I believe there is a law or pro
of the State constitution requiring the president and officers of
road company chartered by the State of Pennsylvania to reside v
the borders of the State of Pennsylvania ?—A. Yes, sir.

Q. Where is your residence? A. Here, sir; 1221 Walnut stree

Q. Have your family resided here ?—A. They are here some p
the time.

Q. Have you any other residence?—A. No, sir; I have no other legal residence. I have a house in New York, one in New Hampshire, and one at Long Island.

Q. Where is your property assessed?—A. I am assessed all over, wherever I am. Every man goes for me who thinks he has got a chance to get anything out of me by assessing.

Q. How long have you resided here?—A. Since I have taken this presidency.

Q. When was that?—A. The 5th of October. I came here before that. I arranged for my house and I moved into it, or commenced to get ready to move into it, before I took the presidency, or as soon as it was suggested. I took a house and I made a residence in Philadelphia.

Q. Since that time where has most of your washing been done?—A. I rather think that is getting into pretty devilish fine quarters for you to talk about my washing. I intend to answer your questions very freely and fully, but I do not intend you should take me up personally.

Q. I am taking you as president of the Reading Railroad Company, but I will explain to you that in the present case there is no intentional offense in the question.

The CHAIRMAN. I take it that Mr. Anderson wishes to settle the question on your domicile.

The WITNESS. I think I have settled it already. I can show my washing bills if you would like to have them shown.

The CHAIRMAN. What the precise information Mr. Anderson wanted I do not know, but I take it that is what he is after.

The WITNESS. All proper information I am willing to give you.

Mr. CHIPMAN. What has his domicile to do with this investigation?

Mr. ANDERSON. Because we are questioning him as to the fact of his residence. In my State at least that question is often settled by this question of where one has his washing done.

The WITNESS. I do not believe you will settle that in Pennsylvania.

Mr. CHIPMAN. Of course I should not desire to govern you in regard to testimony, as to what is and what is not proper, but if you will give some reason for it perhaps I would agree with you.

Mr. ANDERSON. It is this question of residence about which I am asking, but I think it would only cause delay and it is not a very important point.

By the CHAIRMAN:

Q. When you were examined Wednesday, you promised to give the committee a good deal of information, which you said was in documents which you then could not lay your hands on. You have kindly sent us a pile of pamphlets, and Mr. Whiting and others, who have been examined, also promised to furnish some testimony of facts, of of which we wanted information in a regular form. Will you please now arrange in the manner in which you wish to have them arranged, those documents and turn them over to the stenographer so that he can put such marks on them as he can identify them by, then we will proceed to ask you some more questions?—A. In the first place I was requested to procure the cost of coal at different times. Now that was a pretty general request, but I have figured the cost of coal for five years, for the years 1883–4–5–6–7, which I hand to you, and I have numbered it on this paper. That answers that one.

EXHIBIT 36.

Cost of coal to the Philadelphia and Reading Coal and Iron Company, excluding coal *(in ground) mined from its lands.*

Years.	Cost per ton in cars at mines.	Royalty of leased collieries.	General expenses, etc.	Interest on funded liabilities, etc.	Total
1883	$1.49.5	$0.09.1	$0.14.6	$0.24.6	
1884	1.47.8	.09.8	.16.6	.23.2	
1885	1.43.5	.09.7	.14.7	.18.0	
1886	1.53.7	.08.6	.13.8	.17.5	
1887	1.45.1	.08.9	.10.9	.12.7	

Q. The document shows that on the face?—A. Yes, sir, to the "What has been the estimated loss by the public by the increase price of coal," is a question I can not answer or get the inform Of course it is a very general question and it would take a good figuring to do that, and I can not answer that. "What is the p carrying coal by railroad and water from the mines to the various etc?" Now I furnished you in No. 2 here and the traffic arrange with the cost of carrying coal in every direction, as far as I hav able. That gives that answer in full.

Mr. ANDERSON. And that is the rate which is charged the sh who offer goods to the company for transportation?

The WITNESS. It is not only the rates charged to all shippe the rate which those shippers do pay. We charge the same ra company as to private shippers.

Q. I want to know if it was distinct in regard to the point Mr. M referred to yesterday evening, namely the cost to the compan actual cost of transportation from one point to another?—A. Th to the coal company?

Q. No, the cost to the railroad company?—A. No, I have no one. It is not recorded here [looking at his list] and I did no any such memorandum made. "What part of the telegraph syst longs to the Reading Railroad and what part to the Western U Here is the answer in full. I have defined the lines owned by ou pany and those owned by the Western Union.

EXHIBIT 37.

Q. What part of the telegraph system belongs to the Reading Railroad a part to the Western Union?—A. With the exception of the North Penn and D and Bound Brook Division, the entire telegraph system on the Philadelp Reading Railroad belongs to the Philadelphia, Reading and Pottsville Te Company, which provides for the railroad company such wires as are require business. The railroad wires on the North Penn and Bound Brook Division to the Philadelphia and Reading Railroad Company.

Q. What portion of the road does the Western Union lines cover?—A. Th ern Union lines cover the North Penn and Delaware and Bound Brook Div far as applies to the public telegraph business, but no other portion of the P phia and Reading Railroad system.

"What is the rate charged to individual operators from Sch Haven to Port Richmond; also Schuylkill Haven to Elizabethpor covered by answer No. 1.

"The total coal tonnage by months for the year 1887, showi proportion which comes from the Reading Coal Company, and t portion which comes from individuals."

EXHIBIT 38.

te coal tonnage originating on line of the Philadelphia and Reading Railroad Company for months given.

Months.	Philadelphia and Reading Coal and Iron Company.			Individual shippers.	Total tonnage.
	Port Richmond.	Other points.	Total.		
1886.					
r	76, 400. 16	347, 906. 14	424, 307. 10	122, 548. 08	546, 855. 18
1887.					
	126, 199. 15	271, 867. 18	398, 067. 13	103, 763. 07	501, 831. 00
	106, 265. 10	293, 622. 18	399, 888. 08	104, 014. 17	503, 903. 05
	149, 748. 01	327, 651. 12	476, 399. 13	129, 226. 05	605, 625. 18
	141, 394. 09	326, 443. 19	467, 848. 08	137, 540. 03	605, 388. 11
	117, 726. 14	350, 511. 11	468, 238. 05	130, 409. 11	598, 647. 16
	148, 877. 09	377, 167. 01	526, 044. 10	125, 675. 15	651, 720. 05
	152, 342. 02	365, 266. 08	517, 608. 10	127, 261. 14	644, 870. 04
	169, 611. 08	474, 418. 15	644, 030. 03	119, 148. 09	763, 178. 12
r	173, 741. 13	427, 822. 12	601, 564. 05	112, 593. 04	714, 157. 09
	134, 493. 14	485, 482. 04	619, 975. 18	147, 696. 09	767, 672. 07
r	109, 083. 14	506, 751. 03	616, 834. 17	163, 284. 05	780, 119. 02
tal	1, 605, 885. 05	4, 554, 912. 15	*6, 160, 808. 00	1, 523, 162. 07	7, 683, 970. 07

* 119, 044 tons in addition sold at mines.

t is contained in the annual report, which shows exactly the
er of tons we haul over our road for individuals and exactly what
ul over our road for the company. And there is another ques-
nswered in there which Mr. Anderson asked, and that was to give
te per mile per ton on coal, and that is in the annual report, which
it exactly to a cent.

ANDERSON. So it is 2 cents?

WITNESS. No, it is not. That question is answered here and
lly set out. You will find also in this annual report, Mr. An-
, to indicate almost anything you think of in the way of trans-
on, statistics, etc. You will find it all in that.
is all you gave me, Mr. Chairman, to look up, except the West-
ion contracts which Mr. Anderson requested I should produce.
they are.

By the CHAIRMAN:

re you through now?—A. I am through with this.

lease tell the committee about what quantity of coal the Reading
nd Iron Company had on hand the 1st of January, about the
his strike began?—A. I could not tell you exactly, sir, but I
f I could get at the figures, but I say about 200,000 tons; prob-
that neighborhood. I think I answered that. That is all the
r I can make; I do not know.

The Reading Railroad Company has been embarrassed for a great
years, has it not?—A. Theoretically; yes, sir.

It was in the hands of the receivers, I believe, twice within how
years?—A. Well, within twelve years.

Did it not pass into the hands of the receivers in 1881 for the first
—A. I will make it a little shorter, but I do not remember the

I understood ex-President Smith to say so.—A. He knows ex-
—Smith; I should take his testimony.

Q. If I do not mistake the time, it first went into the hands of th receivers in 1881.—A. It went in the first time May 24, 1880, so I a informed.

Q. Not quite eight years ago?—A. Mr. Smith, being the old pres dent, and being an old resident, I should think ought to know a about it.

Q. When did the Reading Company get out of the hands of the r ceivers?—A. I can not tell you; I do not remember. I was not he then.

Q. You do not know how long it remained in the hands of the recei ership?—A. I do not; no, sir, I do not.

Q. Mr. Smith said in 1885 it was a second time in the hands of r ceivers. You were connected with the last receivership, for you we one of the receivers?—A. I went there the 5th of October, 1886.

Q. Were you one of the original appointees in the receivership?— No, sir

Q. How were you appointed in the receivership? Were you a pointed in the place of some one?—A. I was appointed to fill a vacan created by the death of Mr. Lewis.

By Mr. CHIPMAN:

Q. Had you been connected with the Reading Railroad before that? A. No, sir; I did not know anything about that.

Q. Were you a stockholder or bondholder?—A. I was a stockhold before that. I was a stockholder perhaps six or eight months, but was not connected with the road before the 5th of October.

Q. Six or eight months?—A. I do not know exactly the time. I w owner of some stock in that road.

Q. Did you acquire the stock while the receivership was pending? A. I did, sir.

Q. Did Mr. Lewis die, or resign?—A. I was appointed immediate upon his death; I was appointed to fill his vacancy.

Q. He died?—A. Yes, sir.

Q. And did not resign?—A. No, sir.

By the CHAIRMAN:

Q. Can you tell us when the last dividend was paid on the stock the Reading Railroad Company?—A. I think it was in 1876; that is understanding of it.

Q. Twelve years ago. From the present outlook, do you not think will be a long, cold day before any dividend will be paid on the st again?—A. Is that part of this examination?

Q. It is.—A. I shall answer that question to my shareholders. I a very difficult matter to answer.

Q. I will put some reasons to you why I think it will be a long cold day.—A. I supposed that this would be a fair investigation——

Q. This is a fair investigation, sir.—A. I did not suppose you ca here to abuse people personally and to charge the operators of the Re ing Railroad with being a lot of robbers and thieves.

Q. I am above that, sir. I asked you if you hoped to pay a divid on this stock from the present outlook?—A. I will tell you when I a dividend when I get ready to answer that question.

Q. Do you decline to answer it?—A. I decline to answer a ques which is not within the power of a human being to answer.

Q. Well, we will try and see what the prospect is.—A. Very well ahead.

f you did not, Mr. Whiting and Mr. Keim did admit that all the e partnership and corporate coal operators in the Schuylkill re- ther than the Reading Railroad Company, say all, or nearly all, w engaged in mining coal and paying the 8 per cent. advance ded by the miners. Is that a fact or not?—A. I know it is re- l that some of them are mining, but to what extent I do not know. rstand that the individual operators—to what extent I do not —are mining and paying the 8 per cent. advance. I could not to that, but I have no doubt it is a fact.

As the Reading Railroad Company is only employing about one- of its force in its mining of that which it did employ before the (that is, as stated by Mr. Whiting, that they employed about men before the strike and now are employing only about 3,000), t that the Reading Company is only doing about one-sixth of ining business it was doing before the strike?—A. You have got ut right.

I had supposed so. Well, then, the Reading Railroad Company, nsporting the coal of the company, is only getting about one-sixth revenue which it would be getting if the coal mines were in full ion, is it not?—A. No, sir; I should say we are getting consid- more than that, because we are transporting coal for other com-

said, " derived from its own coal mines."—A. I did not so under- ou.

would like an answer to that.—A. Very well; I say the property ving no more than one-sixth of what it would if the mines were operation.

o you not think that nearly all the business in the transporta- coal which the Reading Company now has is derived from al mines than those owned by the Reading Company, which al mines are paying this advance of 8 per cent. demanded by aers. Is not that so?—A. Will you repeat that?

s not the bulk of the business over the Reading Railroad at this the transportation of coal furnished by the mines that are pay- 8 per cent. advance?—A. No, sir; it is not. If you mean the business from our territory, I say it is; but from other territory, o. I tell you we are transporting a very large amount of coal er people.

rom what quarter?—A. It comes from Lehigh and Wyoming.

s not the Lehigh Valley on a strike?—A. Some portion of it is ne is not.

s not the great bulk of the Lehigh region on a strike?—A. I do nk the great bulk of it is on a strike, but a large portion is.

About 8,000 miners?—A. The Lehigh Valley is only working a n of their force, and I think they are producing as much coal. yoming Valley and the Delaware and Hudson are producing as coal again as before my miners went out. I tell you we are haul- great deal from other miners in the Lehigh and Schuylkill region, say the bulk of that coal does not come from private operators re paying the increase.

Mr. Whiting told the committee that there was a coal pool, or cate, or coal board of trade to adjust the output or to regulate it, n that way to regulate the sales and prices; I think it was in 1884 85.—A. He may have known about it if he swore to it. I do not anything about it. I never did.

Q. Do you know that there was such an arrangement?—A. I do n know.

Q. Do you admit it?—A. No, sir; I tell you I do not know anythin about it; I never did. Will you take my word for it?

Q. Mr. Whiting, the superintendent of the mines, swore there wa such a pool in existence as late as 1885?—A. Well, he was swearin for himself; I do not expect he was swearing for me. I testify as t what I know, and he testified as to what he knew; if he does not, h makes a mistake.

Q. Supposing there was a pool to regulate the price of coal by co trolling the output, would not the process be something like this: Tak the total aggregate production in tons, and then assign each operat a certain percentage of that total which each may produce. Woul not that be the method?—A. When you come to state facts I will te you. When you speak of my trying to know of the result of reasonin in certain cases I can not tell you.

Q. Is not that their process?—A. I do not know. Why should answer hypothetical questions; you have no right to ask them. I a swearing to what I know. I have a right to refuse to answer.

Q. I do not deny your right?—A. I tell you I do not know anythin about it. I do not propose to do any guess-work swearing. Whe you come to state facts that exist, I will give you the best answer a cording to my information.

Q. There are articles from time to time in the Engineering and Mi ing Journal, or other journals, which contain the statement informin the public as to the quantity that has been assigned to each mine the percentage of total output with a view to regulate the price?— Very likely. I am not doing my swearing on the statement of a mine journal, not by a considerable lot. It may be correct. I do not kno I do not know whether it is or is not; I do not know anything about i

Q. What is the total interest bearing debt of the Reading Railro Company and the Reading Coal and Iron Company for which the Rea ing Railroad Company is responsible?—A. It is in that book of t plan of reorganization which you requested me to bring here; you c look and find it.

Q. You are well enough posted, I infer, to make a guess; I do n want to a cent, but in the neighborhood of it?—A. If I was not so hoar I would read it to you. It may be in the neighborhood, including t interest—but here it is all in this book to a dollar and a cent.

Q. You stated about what it is was the other day?—A. If you desi it I will read it, but I can not give it to you, Mr. Chairman. As I to you, you can take your own time and look at it.

Q. Then I want to know about the aggregate mortgage interest-be ing debt?—A. There it is in that book.

Q. If you will be kind enough to take the book you may read it? A. Do you wish me to read it? I am so hoarse I could not underta to read it.

Q. Can you turn to the page?—A. Yes, sir; it is right here.

Q. Will you commence and read it?—A. Yes, sir; can not you g the clerk to read it?

Q. Well, the clerk will read it.

(The clerk read—see report of Reading Railroad Company an and Iron Company.)

Q. You told the committee the other day the Reading Railroad C pany had about $160,000,000 mortgage and bonded debt, did you u —A. I guessed at it; about that.

Q. Interest bearing debt?—A. Interest and income; not all fixed charges.

Q. You said that the interest-bearing debt and mortgage-bearing debt of the coal and iron company were about $38,000,000 or $39,000,000?—A. I said, as near as I could judge, it was about $35,000,000.

Q. Being about $200,000,000 in all. Why could you not have answered that without reading that book?—A. I answered from that book because I wanted to answer from it.

Q. Do you refuse to say when you will make a dividend?—A. It is not your business when I shall make a dividend; that I answer to my stockholders.

Q. We will see whether you will or not. This investigation is simply intended to show how the public is treated and probe the truth.—A. I am willing to give you all proper information; that I do not think you have a right to ask. I intend to be treated fairly in this matter.

Q. I would be above using my official position to treat you otherwise than fairly.—A. You are reported to have charged this company and its management with being thieves and robbers. I do not think that comes very well from a committee sent here to investigate this matter to——

Q. We will not bandy words. Do you refuse to be questioned by the committee?—A. I do not; but I supposed the committee had come here with a view to ascertain facts.

Q. I have asked you what was the total interest-bearing debt?—A. I have answered by showing you it was about $200,000,000.

Q. In the neighborhood of $200,000,000?—A. It is about $160,000,000, probably.

Q. In the railroad company; you speak of the railroad company and coal and iron company?—A. I am answering on that basis. The liabilities are $160,000,000, with the stock about $200,000,000.

Q. That is all I want?—A. I told you that the other day.

Q. What was the average interest on that $200,000,000 investment?—A. What is the average interest? In that statement it is stated.

Q. Is it as much as 4 per cent.?—A. I will tell you how much in a moment, if you will wait until I get the question.

Q. I simply want about the general average?—A. I am not swearing to a general average. I prefer to make an exact statement rather than a general average, when I am swearing, at all events. As stated in here, sir, the annual rental and total fixed charges, including the annual rent of lines leased, amount to $6,583,055. With the first preference income bonds (that is, including all the interest, of which there was $1,220,542), total interest, $7,803,597; and second preference bonds, interest $1,307,026, making a total of $9,110,623; and a third preference bonds, $747,800, making the total charges against the property $9,858,423, and fixed charges being $6,583,055; total income charges $9,858,423.

Q. Ten million dollars, say?—A. It is pretty near $10,000,000.

Q. Well, now, with your coal mines shut up, except about one-sixth of their capacity, and with your railroad freight reduced to that one-sixth of what your mines would give if they were in full operation——.—A. Interrupting. You are mistaken about that.

Q. You told me so a while ago?—A. You say railroad freights?

Q. From these mines?—A. Make it definite, if you please.

Q. You said so a while ago; that the great bulk of the freights over your road from which you derive income was furnished you by the private operators, as I believe you call them, in the Schulkill region;

how much falling off is there in that connection?—A. I can not tell you.

Q. Mr. Keim said it was at least half?—A. I think he may be mistaken about that. That is one of those things that I will have to swear to guess-work.

Q. Well, we can make a probable estimate?—A. I estimate, without the coal mines, we could earn about fixed charges, which would be about $7,500,000, if we do not pull any coal; but I may be mistaken.

Q. But your connection from the mines is less?—A. The connection is not all we have. We have a large passenger business and a large freight business. We are doing a lively business outside of the coal business.

Q. Do you hope to raise money enough from your coal and iron mines and Reading Railroad to pay the interest on this bonded mortgage debt; do you expect to?—A. I answer you, yes; I hope to pay a good deal more.

Q. You hope to make enough to pay interest on two hundred millions?—A. That is so; I am trying to earn money on this property.

Q. With your coal mines shut up?—A. I wish that the coal mines had been shut up, and that they had never been opened.

Q. How do you expect to make this when only a few men are at work there at present?—A. I tell you within ten days they will all be at work there.

Q. Well, this committee would do some good then?—A. I think my men will be back very soon, but whether the committee have anything to do with that or not I do not know.

Q. I will put a question to you directly, and I want a direct answer. Unless there is a pooling operation——. A. (Interrupting.) Which there is not.

Q. Wait until I get through the question, and then answer it. Unless there is a pooling operation among the coal operators and coal carriers by which the the Reading Coal Mining Company is to get a profit or income from the coal it could mine if it would, I ask how you expect to make the income necessary to meet the interest on these bonds? In other words, will not the Reading Railroad Company become a defaulter and bankrupt, and pass into the hands of the receivers about as soon as it did in 1885, when, according to Mr. Smith, it only staid out of the hands of the receivers about a year, and he also expressed the opinion that it would be there again very shortly, if not within a year. I ask you again directly, and I want a direct answer, if there is not a pooling operation, where are your companies to make the money to meet the interest on the bonded and mortgage debt?—A. From various sources, sir.

Q. Please give us the sources.—A. I can not give you the sources that come from the railroad company.

Q. Have you got any assets to meet this interest?—A. Do you think you have a right to ask that?

Q. I do.—A. I do not think it is right for this committee to find out how much money we have in bank, or how much collateral we have got to use in case we need it. I decline to answer that.

Mr. CHIPMAN. I wish to put this statement on record in reference to that line of examination of the witness, and let Mr. Corbin have the full advantage of it, because it is no more than right that he should. One question in the public mind is, whether it is to the interest of your company to have this strike, and whether that interest may not arise from the financial condition of your company. Now I am suggesting it is in

to you. I do not ask you to answer it. I simply make the
, and you have it to do with it as you please.
NESS. I will answer it in my own way. I wish the committee
nd that I am ready to furnish any information that I think
for them to have in relation to this question which is up for
before the committee. But I do not know what right the
ybody has to inquire into the financial condition of the Read-
ny unless they are shareholders or bondholders. It is quite
hould have the benefit of why I decline to answer the com-
any man owns any property in the Reading Company I shall
to explain to him its present condition, but I object to its
d before the public. When the time comes, if they do not
nagement of this property, I shall step out with pleasure. I
swer to the owners of the property and not to the public.
answer. I do not think this is a proper question for this com-
sk. I decline to answer anything in relation to the financial
is corporation. That is my answer. I have answered every-
ut objection that related to the strike, and I have nothing to
I want to state, while I am here, if the committee came here
o the interstate commerce question, that I defy any man to
tatement that we have not complied with the law in regard
carriers with reference not only to the State, but interstate

he CHAIRMAN:

is difference of opinion about that. Congress differs from
sing the resolution sending this committee here.—A. That is
about it; I do not ask you to agree with me.
ou object to giving this fact: whether, after you passed out
ds of the receivers this time and reorganized, a great many
s were not created in the coal company?—A. No, sir; not one
They have cut down the expenses and reduced the officers.
e railroad company?—A. No, sir.
no salaries been increased?—A. No, sir.
no change made?—A. No. The only change made in any
s that we made Mr. Keim head of the Coal and Iron Com-
se he was the most competent man there was. I did not
hing about mining coal.
t did he do?—A. He produced last year 18,000,000 tons
he expenses of this corporation have been reduced, I think,
less than the year before. While I decline to say what we
o do in regard to dividends, I think the Reading Railroad
has passed out of its crude state and gotten into the condition
solvent, respectable company.
is a difference of opinion about it. One of the ex-presi-
ed here this morning a contrary opinion, and I am frank
say I also have a contrary one.—A. I am not going to ask
any stock in it.

Mr. CHIPMAN:

h to ask you a question. Of course I have a right to ask a
f you and you have a right to answer it or not. Have you
ion to telling the committee how much stock you owned be-
ave up the receivership?—A. Yes; it is my private business.
you any objection to telling the committee how much stock
ding Company you owned before it went out of the hands of

the receivers, the last receivers, and became reorganized under y presidency?—A. No; I can not tell you, sir.

Q. Have you any objection to telling?—A. Yes, sir; I have. I cline to tell.

Mr. PARKER. Are you advised that the main strike is off? We derstand it is being reported off.

The WITNESS. I heard on the street to-day that it has been orde off, but I have no definite information about that. I have not infor tion sufficient to warrant me to say that the strike is off, but as I sta before the committee the other day that I thought that within a few d it would be off, and I had no doubt the miners would be at work n week.

Q. I want to know whether, from the manner in which the infor tion comes to you, you believe it or not. Have you any informa to-day definitely?—A. I have information to-day which leads me to lieve it will be off next week, but not off now.

TESTIMONY OF THOMAS M. RICHARDS.

THOMAS M. RICHARDS sworn and examined:

By Mr. PARKER:

Q. You are a resident of Philadelphia?—A. I am.

Q. Have you any official relations with the Reading Railroad C pany now?—A. No, sir.

Q. Have you had at some previous time?—A. I did.

Q. Please state it.—A. I was in charge of the shipping at Port R mond. I was in charge of the colliers, years ago.

Q. Have you been engaged in statistical work at any time conne with the coal mining, or coal distribution, or coal output?—A. No,

Q. Have you been sales agent of the Reading Railroad at any tim A. No, sir; of the coal and iron company.

Q. Of the coal and iron company?—A. Yes, sir.

Q. For what period?—A. Since 1875.

Q. Until when?—A. Up to the present time.

Q. And still remain?—A. Yes, sir. I have been coal agent, gen coal agent, since 1875.

Q. What is the nature of your duties as such officer at present?- Originally I had charge of the transportation of the coal from the it was put in the cars until it reached its destination. Now latterl the last four or five years, I have had charge of the sales.

Q. At what point?—A. All points, sir.

Q. Namely, what territory?—A. Selling coal wherever it goes to.

Q. In all the States?—A. In the United States of America Europe, if necessary, anywhere.

Q. Where have you sold it?—A. Here in Philadelphia, on boar Port Richmond or New York for shipment; wherever we can sell i

Q. What charge have you of that?—A. I have control of that make deliveries to parties. I control the sales and make the s All sales are made through me.

Q. That is, you are the party who negotiates the sales to those ties who receive it?—A. Yes, sir.

Q. Are your people advised and consulted with outside in regar prices?—A. Yes, sir.

Q. And you have been that, for how long?—A. For several yea

Q. Do you keep records of the annual output of coal and its distribution?—A. It is kept in the office in the statistical department. I merely make the sales; I am not commanding the department.

Q. Have you been familiar with the operation of coal for some time past?—A. Yes, sir.

Q. And for the distribution sent; you would know what amounts went to particular localities?—A. Yes.

Q. Can you state about the proportion that has been exported from the United States?—A. Of our production?

Q. Yes, sir; say in the last year?—A. I do not think we shipped a ton, except to Cuba. A small quantity went to Cuba.

Q. Where has the great proportion of this coal gone?—A. About 50 per cent. of the production is sold in the immediate locality, on the line of our road, and the balance is shipped at tide at Philadelphia and at tide at New York.

Q. What were the prices of coal in April, 1886?—A. What size coal would you like to know about?

Q. I wish you would select a size and give us the changes?—A. Probably, if you take stove coal; that size is a high price—that is, stove coal.

Q. Now, if you will select coal, that will give us a fair statement of the changes and the difference in the selling price.—A. I think the price we got for stove coal in May, 1886, was $3.14 f. o. b., Port Richmond, and $3.22 f. o. b. in New York.

Q. When was there an increase in the price?—A. There was increase in price the following month; just a few cents almost every month. It was $3.50 in October at Philadelphia, which cost $3.74 in New York.

Q. At Schuylkill Haven?—A. Schuylkill Haven. I have not a record of local territory.

Q. When was the next material change or increase?—A. January, 1887, $3.85 Philadelphia. We did not sell New York in January on account of the cost. Our coal was $3.91 against $4.25 New York.

Q. When was the next material change in your selling price of your coal?—A. The next month raised somewhat. April, $3.75 and $4.05.

Q. April 1887?—A. 1887.

Q. When was the next material change?—A. Then it advanced in May to $3.80 Philadelphia, and $4.04 New York.

Q. And the next material change?—A. July, $3.84 Philadelphia, $4.09 New York.

Q. And the next increase?—A. October, $3.96 Philadelphia, against $4.18 New York.

Q. And the next change?—A. This is in 1887?

Q. Yes, sir.—A. Since then, sir, we have had an advanced market.

Q. You have continued the sale?—A. We have not had any to sell. We have had no coal.

Q. Have you had any coal since January?—A. Not since the difficulty with the miners.

Q. What has coal been selling for in Philadelphia during January, 1888?—A. Three dollars at Schuylkill Haven was the last price we had, and $1.80 transportation to Philadelphia.

Q. Making at Philadelphia?—A. $4.80.

Q. And what prices obtained at New York?—A. The price in New York was $4.75 on board, which was about the ruling price of stove coal.

Q. Will you give us the statement of the aggregate increase from April, 1887, to the 1st of February, 1888? I wish in that answer you would give us the aggregate increase on each of the several kind commercial coal.—A. From April, 1887, to the 1st of February, 18 April, 1887, f. o. b., Philadelphia, from the present prices say, bro $3.75, egg $4.34, stove $4.50, chestnut $4.50; making a difference broken 47 cents, egg 60 cents, stove 85, and chestnut $1.32.

Q. You have been familiar with the retail price of coal in Phila phia during this period ?—A. Yes, sir.

Q. What has been the increase at retail during the same period u the same classes of coal ?—A. On stove, of which we were speak the retail advance was $1 to $1.75 a ton.

A. On the other classes please give us ?—A. They do not vary much.

Q. Have you points of deposit of coal in the State and elsew where coal is stored ?—A. We have facilities at Port Richmond, w we can store coal to load on vessels.

Q. Where do you store coal for the use of the railroad ?—A. I not think we have any storing capacity. They have little places different points on the road to stock small quantities of coal. I do know what that capacity amounts to, but not to any consequence.

Q. Not strictly looking at these points, have they not points w they do and can deposit coal for their own use ?—A. Not in any capac

Q. What amount was there at Port Richmond at the time this strike commenced ?—A. January ?

Q. Yes, sir.—A. I can give you that; 30,000 tons.

Q. What was the total amount on the cars ?—A. That I could tell you.

Q. At that time ?—A. That I do not know.

Q. I wish you would give us your best estimate.—A. I do not th there could have been a great deal there, because cars are not allo to accumulate loaded.

Q. If you will, give us your best estimate of the amount, not upon reasons you tell, but upon your general judgment.—A. I should ima about 1,000 cars. You mean loaded up over the road ?

Q. Yes, sir.—A. It will be pretty hard; it has a wide scope.

Q. You are the only man I know of who can tell.—A. I should th probably 1,000 cars.

Q. How many tons were there to a car ?—A. Five and a half wo be a fair average.

Q. How many tons of coal, to the best of your knowledge, was mi and unsold by the Reading Coal and Iron Company on the 1st of cember ? How much was mined and unsold ?—A. Nothing but what had at Port Richmond, 30,000 tons; that we had there at the time.

Q. All on cars ?—A. That on cars may have been consigned to s consignee. Coal that was on cars at Port Richmond is included in stock report. No coal that was there loaded at Port Richmond, c signed, is in this account I am giving you.

Q. I will put the question another way; perhaps you have answe it; but what amount of stock was on hand in tons of coal at Port Ri mond January 1 ?—A. Thirty thousand tons.

Q. Anywhere and everywhere ?—A. The Coal and Iron Company 30,000 tons of surplus coal at Port Richmond on the 1st of January.

Q. And 1,000 tons, probably, in cars ?—A. No; 1,000 cars, I und stood, were loaded.

Q. A thousand cars elsewhere, and there is about 5 tons to the car A. About 5 tons to 5½ tons.

Q. Did that cover your total stock of mined coal undelivered at that time?—A. That is my idea.

Q. Now, is it a custom of the trade in the country that great masses of this coal are held all over the country upon the 1st of January?—A. The trade generally buy their coal at the beginning of fall to tide them over the winter. It was more the custom to do that in years gone by than of late.

Q. They buy more frequently of late?—A. Now the facilities have been better to enable the greater portion of people to get coal during the winter season. Usually the production would stop from the middle of September to the middle of March.

Q. Have you any knowledge of the amount of coal on hand in the Lehigh region on the 1st of January?—A. I have not, sir.

Q. Or at the date of their strike?—A. I have no idea.

Q. You have no means of giving me an estimate of that?—A. No, sir.

Q. Have you of the Lackawanna region?—A. No sir. I have no occasion to know what was the amount of coal they had on hand.

Q. Can you tell me as to the idle time of the men, during the past year, of your company?—A. That is a little out of my line, but I think I have a record of it.

Q. Did that last table (referring to paper held by the witness) relate to other matters than I have asked you about?—A. It is more of the same data.

Q. Perhaps it would give us information, if put in evidence. If you can, give us a copy.—A. Yes; I can give you a copy. There was no stoppage in the year 1887 in the collieries that I can learn; no restrictions.

Q. There was no limit of the production in any of the mines?—A. No, sir.

Q. Now, in December, 1887, was there not an unusually large accumulation of coal in the mines?—A. On the contrary, so far as our company is concerned, in the mines—you mean down in the bowels of the earth?

Q. I mean mined, but not then distributed to points like Schuylkill Haven and Port Richmond?—A. No, sir; it was unusually less than our ordinary common condition.

Q. Was not a larger amount than usual held in stock in the country?—A. No, sir; no stock at all, that I know of.

Q. I mean of anthracite coal throughout the country.—A. Mined, but not consumed coal?

Q. Than usual?—A. No, sir; less than usual.

Q. You say there has been no enforced idleness during the past year; did you not have it during the year previous?—A. I think there were six days in 1886.

Q. That all the collieries were stopped?—A. That was wasted by stopping.

Q. What was the object of that?—A. That I do not know.

Q. And it decreased that production so much?—A. There were six days they stopped, one in April, one in May, three in June, and one in August.

Q. Were they the same days—respective days?—A. No.

Q. Give us the days, please.—A. I do not know what days they were.

Q. What have you known of methods used in your mines at any time to limit or restrict the output of the mines?—A. I do not know anything of that, sir; that is out of my sphere. I have nothing to do wit anything but the selling of coal.

Q. Do you know what royalty has been paid at the mines?—A. I ca not say positively. I know from general conversation that the pa ments were at different prices for such collieries or lands.

Q. About what was the royalty?—A. Thirty-five to 50 cents, I thin for some sizes of coal.

Q. How much do you estimate it cost additional to deposit that co in the railroad cars from the breakers?—A. I guess I do not understa your question.

Q. What is the cost of mining the coal—moving it to the breaker doing the work necessary to put it on the cars to ship to market?— Two dollars a ton I should imagine it would cost.

Q. Then coal upon the cars where the royalty is paid would co $2.50?—A. No; I imagine $2 would cover the cost of production, i cluding the royalty.

Q. That coal would bring last year at tide-water in October, say h much?—A. Taking stove-coal?

Q. Now, if convenient?—A. Three dollars and ninety-eight cents.

Q. Now, the difference between $2 and $3.98 is the toll to the ra road and the profit to the railroad?—A. No; profit to the operator.

Q. To which operator?—A. To the coal miner, the coal owner.

Q. What were the tolls paid upon such a ton of coal in Septemb from the breaker to Port Richmond?—A. The tolls were $1.55 from t mines.

Q. Was it the same in December last?—A. It was 10 cents highe

Q. And the April previous or the May previous?—A. One dollar a fifty-five cents, if my impression is correct.

Q. Do you regard "Saward" as good authority?—A. Yes; he co piles tonnage and data, I think, as accurately as one could get it.

Q. Could you give us the amount of anthracite coal mined in 1886 Pennsylvania?—A. [Referring to statistics.] 32,136,000 tons.

Q. And the amount of bituminous coal mined in this State?—A. I "Saward" 27,000,000 tons.

Q. And the total amount mined in the United States of all coal?— By "Saward" 106,780,000 tons.

Q. Will you give us the number of men employed, if you can, fr that work who are engaged in mining?—A. It shows in Pennsylva 94,000 in anthracite and 40,000 in bituminous.

Q. And in the United States?—A. That is not aggregated.

Q. Do you regard this as correct?—A. That is the best authorit guess we have. I do not know of any better.

Q. In your opinion was there any material change in these numb in the year 1887?—A. No; I imagine not.

Q. Will you give us the distribution of anthracite coal in the ye 1886?—A. Pennsylvania, New York, and New Jersey, 21,000,000; N England States, 5,000,000; Western States, 3,000,000; Southern Stat including Delaware and Maryland, 1,362,000; Pacific coast, 10,00 Dominion of Canada, 878,000; foreign ports, 37,000, making an agg gate of 31,623,000.

Q. Do you approve of those figures?—A. I think they are as corr as we can compute them.

Q. Is there any material change in your judgment, in 1887?—A. increase of 3,250,000 tons.

Q. Spread over the whole territory?—A. Yes, sir; distributed those same points.

The **CHAIRMAN.** You mean both bituminous and anthracite?

The **WITNESS.** I am talking about anthracite.

Mr. **PARKER.** Now, as to the lines, distributing in the year 1886; will you state the amount distributed by the different distributing lines?

The **WITNESS.** The production by the different railroads, this tonnage was carried in this percentage: Philadelphia and Reading, 36.36 per cent.; Lehigh Valley, 19.25 per cent; Delaware and Lackawanna and Western, 16.10 per cent.; Delaware and Hudson Canal Company, 10.82 per cent.; Pennsylvania Railroad Company, 10.82 per cent.; Pennsylvania Coal Company, 4.35 per cent.: New York, Lake Erie and Western, 2.340 per cent.

Q. Do you approve of the statement and say that about the same per cent. is to be applied in the movement of coal in 1887?—A. No; I think not.

Q. What changes do you think occurred? Give us the percentage of the lines of and the amount carried.—A. Philadelphia and Reading, 7,555,251; Central Railroad of New Jersey, 4,852,859; Lehigh Valley, 5,784,450; Delaware, Lackawanna and Western, 6,220,792; Delaware and Hudson, 4,480,230; Pennsylvania Railroad, 3,816,143; Pennsylvania Coal Company, 1,603,455; New York, Lake Erie and Western Railroad, 779,834; aggregate, 34,641,017.

Q. We would like to take the figures for the Reading for three or four years past.—A. The Reading production for 1887 was 7,555,251; in 1886, 6,695,731. Further back than that?

Q. No; I think that sufficient. Now what was the effect of the strike upon the earnings or wages of the men previously employed by your company?—A. Nothing more than they did not get money when they did not work.

Q. How many of the employés struck?—A. That I do not know anything about.

Q. Can you tell the reduction of the wage roll; have you statistics for that?—A. No, sir; I do nothing but sell coal after put on the cars.

Q. I had an impression from something I had heard that you could give us that.—A. No; I simply dispose of the property after it is produced.

Q. Then your knowledge is confined entirely to the sale of coal and the statistics connected with that?—A. The production, the quantity, the sizes, etc.

Q. Will you give us the amount shipped from the Lehigh mines for three years past?—A I have a table, sir, of this. Lehigh Valley production, 1887, 5,784,450; 1886, 6,184,455; 1885, 6,107,441.

Q. Now, will you give us figures for the same years for the Lackawanna region?—A. 1887, 6,220,792; 1886, 5,172,02[illegible]; 1885, 4,987,931.

Q. I believe that covers all I had in mind to ask this witness.

By Mr. ANDERSON:

Q. When the price of coal at Schuylkill Haven is $2.50, what is the price delivered by you in the city of Philadelphia?—A. Plus $1.80 for transportation it would be $4.30.

Q. Then what is it at Richmond?—A. Whatever we can get for it; according to the market.

Q. Is there ordinarily a difference between the prices of coal as delivered by you in the city of Philadelphia and the prices of coal as delivered by you at Richmond?—A. It just depends upon the market. When we get to Port Richmond we come in competition with other companies. If we wanted to send the coal to New York, etc., and the price of coal was better than the price of coal loaded at Port Richmond, we wou ship it.

Q. Do I understand there is another company selling coal in Phil delphia than yourselves?—A. We sell all; nearly.

Q. Then you are not in competition for the Philadelphia or city tra as much as for the Richmond trade?—A. More or less, except where t other companies can not deliver on the track of the Reading Railro

Q. I think in the circular which was put in evidence yesterday th there was difference in the coal of August, perhaps of last year, of so 50 cents. I understand you to say that at Richmond you have co petition which you do not have in the city of Philadelphia, and th because of that fact you charge more, say 50 cents more, for the c delivered in the city than at Port Richmond; is that correct?—A. sir. If the price at Schuylkill Haven is $2.50, the plus on that wou be the railroad transportation, which is $1.80; that would be $4. Now our price on stove coal at Port Richmond made up the 4th December——

Q. How far is Port Richmond, your depot, from Philadelphia?—A. is in Philadelphia.

Q. How much longer is the haul by rail from Schuylkill Haven Port Richmond than if the coal had been delivered in the city?—A. do not think it will be very much farther to go there than to come do to Broad and Callowhill streets.

Q. And substantially in the hundred-mile haul, or thereabouts, the c of delivering a train at your city depot would not be really much grea than at Port Richmond?—A. We do not deliver trains in Philadelph The cost of delivering in Philadelphia would be greater than at P Richmond. It costs more to deliver it car by car instead of deliverin whole train. At Port Richmond we take as many cars as we please.

Q. How much more do you charge for those cars delivered in yo yards here than at Richmond?—A. The transportation rate from Schu kill Haven is the same technically. It is $1.80 to Philadelphia and is $1.88, including water freight, at Port Richmond.

Q. Then I understand you receive the same price for delivering the city as to Port Richmond?—A. The rate to Philadelphia is $1.80 a to Port Richmond alongside is $1.80, but 15 cents is paid there for d charging.

Q. I do not understand that last?—A. Fifteen cents they pay the alongside for discharging, which is charged on the pier there at P Richmond on the freight, the same as he would get it by rail.

Q. But this is where you deliver directly in the vessel?—A. Yes, s

Q. What is this paid for; is there a water transportation rate?— It is a transportation of coal from the wharf.

Q. You are now speaking of coal and freight at Port Richmond barge; I was speaking of coal delivered by rail in Philadelphia.— That is $1.80.

Q. Then, if I understand that, the railroad company charges no m in freight for delivering at the city than at Port Richmond. Why, th should there be a greater charge for coal delivered in Philadelphia th in Richmond, so far as making a fair percentage on the cost of coal A. That is a matter of transportation that I am not able to digest. is out of my bailiwick. I, as a seller of coal, would want a low rate transportation, as we always do.

Q. Could you give us the difference in the price of coal delivered you by rail in Philadelphia and at Port Richmond for some mont back?—A. Yes, sir.

Q. I will be obliged if you will do that, say for the year 1887?—A. You want to know what difference we got for coal by bringing it in and selling in Philadelphia and at tide. Is that the idea?

Q. I do not know what you mean by that, I am not in the coal business.—A. I asked you.

Q. I am seeking information here. What I wanted was the price of coal sold by you from your track in the city of Philadelphia, and at the same date the price for coal sold from your track at Port Richmond ready for shipment?—A. The Port Richmond price is $4.50 f. o. b; toll from the mines, $1.55; net at the mines $2.95. Price at the mines for shipment, $3.

Q. And the price for the same coal at Port Richmond was $4.50?—A. Yes, sir.

Q. When was that?—A. November price, 1887.

Q. Then I understand you to say you deliver coal at Philadelphia for $3 and charge $4.50 at Port Richmond?—A. Yes, sir.

Q. What is the cost of putting it on board, the charge for it?—A. That is included in the cost of transportation of the coal going there.

Q. So it would make no difference in that?—A. It costs 4 or 5 cents to take the coal out of the cars into the vessel direct.

Q. Where a dealer receives it in his city here, is there any cost of delivery?—A. It depends upon the facilities he has for receiving it. Some few dealers of coal get it without any labor. Others have a trifling charge to pay for unloading the car.

Q. Is there ordinarily this difference of $1.50?—A. There is not a difference of $1.50. But this $3 is at the mines, and it costs $1.80 railroad transportation to get it to Philadelphia; then at Port Richmond it is $4.50 with the tolls. We pay the Reading Railroad Company $1.55, which would net $2.95 at the mines.

Q. So it does not cost more to the railroad company to haul it, whether they deliver it in the city or at Port Richmond?—A. If I had been in the railroad business I would rather deliver it in the city than at Port Richmond.

Q. There is no difference in charge on coal to Port Richmond than Philadelphia?—A. Yes; on that which goes beyond the capes.

Q. Is there a difference in the price of coal that is delivered beyond the capes and this side of the capes?—A. The freight inside the capes is regulated.

Q. What is that difference?—A. Whatever the circumstances might be at that time in regard to demand and supply. When we go beyond the capes we meet competitors; whatever prices may be, say, for New York shippers.

Q. At that time, when coal was $4.80 for shipment beyond the capes, what was it for shipment on the waters inside the capes.—A. Four dollars and fifty cents.

Q. A difference of 30 cents. Did it cost the railroad any more for delivering on board a vessel going beyond the capes than for delivering on a vessel going this side of the capes?—A. No; they would have to pay the discharge of that coal, and the dealer who receives the coal would not pay more than if he got by rail direct. The dealer who gets by rail would pay $1.80, and the dealer who gets his coal by barge gets it at the same rate.

Q. Now, if I understand you, you pay on the same date tolls for the Richmond coal $1.55, and tolls for the Philadelphia coal $1.80?—A. Yes.

Q. How does it come that the railroad company makes a discrimination in that case of 25 cents? The haul is substantially the same, bı there is that discrimination.—A. The difference in the haul; yes, si

Q. They take the coal as cheap in the same train for that matte part comes to the city and part goes to Port Richmond, of course, c the same day and on the same train. And I understand from this th there would be a difference in the tolls of 25 cents?—A. That is tl rate we pay for all coal consigned beyond the capes; $1.55.

Mr. Parker. Is the price at which you sell coal at Philadelphia d termined by the local competition with other lines?

The Witness. To a certain extent, more or less, and with the d mand.

Q. Is the price at Port Richmond determined by the condition of t market at New York and other points?—A. More or less; yes, sir.

Q. Then the price depends largely, not upon the cost of producti but the prices for which, under the condition of the market at the d ferent points, you can sell the coal?—A. Yes, sir; exactly. If it w in our power we would make it, but unfortunately it is not.

By Mr. Anderson:

Q. Has there been any time during the year 1887 that the price coal delivered by you in the city was greater than that delivered Port Richmond of the same character of coal?—A. The coal in the c for Philadelphia other than Port Richmond?

Q. As I said, I am not a business man; I do not know all the fi points in the coal business. Take a car-load of coal; right ahead ot is another car-load of coal; they come down on the same train, one switched off at the city of Philadelphia and one goes to Port Richmo Now, has there been any time——A. (Interrupting.) That is not exac the way it is done.

Q. How is it done?—A. Port Richmond freights come down genera in large trains. It is never made for any local points, but Philadelpl cars, they come down and switch off cars at different stations, while t Port Richmond cars go through.

Q. What is the largest delivery of coal in the city of Philadelphia any one day by your company?—A. Indeed, I do not know that I cou tell you exactly on this railroad.

Q. Eight hundred?—A. A thousand cars, at Philadelphia, probab

Q. I presume, as a matter of railroad management, that the wh would go directly to the city of Philadelphia?—A. We do.

Q. Take that case where the whole train comes directly to Philad phia and say another train goes directly to Port Richmond. Now h there been any time in the year 1887 when a higher price was charg for the coal delivered in the city than for the coal delivered at Port Ri mond?—A. I do not think the rate to Philadelphia has been changed t year. By my impression it is $1.80.

Q. I was not speaking of the rate of toll; I was speaking of the pr at which you sell the coal.—A. No; I think from what I can glean the coal question, there has been no variation in the price at all t year. The rate of transportation has been $1.80 and the price has b $3 at the mines.

Q. As I understand from you the toll is changed?—A. This is t proportion on the through rate of coal going beyond the capes of Delaware.

Q. Is there any change; are the tolls the same in a year?—A. Th change at times. There was a difference of 10 cents this year.

Q. There is some variation at Elizabethport in the price of coa presume; also at Richmond and also New York?—A. Elizabethport is New York. It is really a point in New York.

Q. Upon another point. You said you thought the coal cost, delivered on the cars at the mines, about $2?—A. On the average.

Q. What items would make up that $2; the labor? Do you know what that would be?—A. No.

Q. What else?

The CHAIRMAN. He has given a statement of that.

The WITNESS. That includes all sizes of coal; pea and buckwheat coal sells about one half the cost of coal, I understand.

Mr. ANDERSON. I was trying to get at the items of the statement.

The CHAIRMAN. We have got that.

Mr. ANDERSON. You stated also that the productions of the mines were stopped from September to March?

The WITNESS. Years ago that was.

Q. Did that occur a year ago?—A. No; ten or fifteen years ago.

Q. Has it been since?—A. No; that has been mined more regularly now.

By Mr. PARKER:

Q. Who has charge of the pay-rolls of the Coal and Iron Company?—A. The wages are returned by Mr. Whiting, and he sends them down. He has a regular paymaster.

Q. Who can give me the difference in wages prior to the 1st of December and at this time, which were paid by the company?—A. The executive officers, Mr. Keim, Mr. Corbin, and Mr. Whiting.

Q. Those gentlemen can not give it; they do not remember. I want to know who can give me that information?—A. The secretary of the Coal and Iron Company is custodian of those papers. He is in Philadelphia, but he has broken his leg at present.

Q. Would the treasurer have this information?—A. I presume so; Mr. Church.

Q. I want statistics to show the difference in wages before the strike and now, so as to see the difference in the aggregates per day and per week.—A. W. A. Church, treasurer, 227 South Fourth street.

By Mr. STONE:

Q. How far is it from Port Richmond and from Philadelphia to Elizabethport?—A. Eighty-nine miles, I think, sir.

Q. And how far from Schuylkill Haven to Philadelphia?—A. Ninety miles.

Q. About the same distance?—A. Perfectly, sir.

Q. The difference in the price of coal in the mines and here is what you pay in transportation?—A. Yes, sir.

Q. The average cost of transportation from Schuylkill Haven to Philadelphia, a distance of 90 miles, being about $1.80 a ton?—A. Yes, sir.

Q. Do you regard that as being a reasonable toll?—A. That is lower than it has been for years. Usually the rate to Philadelphia was $2.

Q. And that is about as cheap as the railroad can afford to carry it?—A. I imagine so; I do not know much about that, however.

Q. What makes the difference in the price of coal at Philadelphia, Port Richmond, and Elizabethport; the matter of competition or difference in the cost of transportation?—A. No, I think not; the operator is willing to take less for his coal. Coal operators could only mine as much coal as they get Philadelphia freight, otherwise they would not be able to sell that for what they do.

Q. I notice in this circular issued by you fixing the price of coa a certain period, the circular dated August 1, 1887, that the pri coal of all kinds at Elizabethport is invariably 25 cents higher th Port Richmond. Now, how far is it from Schuylkill Haven by the line over which your coal is carried to Elizabethport?—A. It i miles. The distance is 80 miles farther than to Port Richmond.

Q. Now, if the only difference in the price of coal at Philadelphi Schuylkill Haven is the cost of transportation, and the compan not afford to carry it from Schuylkill Haven to Philadelphia, tance of 90 miles, for less than $1.80, how can they carry it t maining 90 miles to Port Elizabeth for 25 cents?—A. I give They either have to do that or not carry it all. You will rem that when we get to New York we have to sell coal in New York low prices as other companies do, otherwise we are out of the m These prices the New York companies sell for on the market fi price. The operator takes that for his coal and the transportation come in and constitute a part of it, I presume.

Q. Do the sales agents of these various companies meet at dif times to fix the price of coal?—A. No, sir. We are forbidden to any meeting, but when we meet each other we talk about the m

Q. I read on yesterday morning in the financial column of your city papers, the Public Ledger, a statement of the meeting sales agents in New York, the day before, in which they deter not to change the price of coal because of the abundant supply. such meetings usual?—A. I think they have a conference at the York Coal Exchange, a corporation in New York. They meet i Washington Building; the trade generally.

Q. Have you any connection with it?—A. I am no member of organization.

Q. Have you any connection with them?—A. I meet every o them as I go about.

Q. I mean official connection.—A. No; I meet them in my in ual capacity and talk over the situation of the market; but we ar allowed. Our officers directed us not to connect ourselves with organization.

Q. You are acting independently for your own company and fi price for which your coal should be sold for a given period ahead? No, sir; at the time.

Q. Well, this notice which I hold in my hand, "General price, cir No. 2, 1887," says that "on and after this day and until further n the following will be the prices for this company's coal," etc.?—A. may not take any orders at those prices for that particular time, do not want to. We may not take the orders at those prices at time.

Q. This circular was intended to cover what period of time? That began that day, during any time.

Q. It says, "The company reserve the right to change the price cept on orders entered prior to such change, and orders sent in wil bind the company until accepted."—A. That is the idea.

Q. I understand that each man fixes these prices as governing market prices?—A. Yes.

Q. How are you expected to absolutely fix the market price?— When we find we can not supply the demand, we put it up; and w we have more than the market wants, we put it down; we are gove entirely by the demand, sir.

Q. That would come without reference to a circular of this sort?—A. The people generally want to know the market prices.

Q. Then this is issued for public information?—A. But it governs us in negotiations and sales.

Q. Is there any sort of understanding or arrangement by which these prices are in some way to affect the out put of coal?—A. Oh, bless me, o! How could it be?

Q. Well, I can see how it could be: you could fix the price of coal nd then have just enough mined to keep it at that price?—A. But that would increase the cost of production. You comprehend that the miner would not incur that extra cost in keeping up a plant and producing a mall quantity of coal. It would be better to stop the colliery entirely.

Q. But some coal you mine cheaper?—A. At a less cost per ton.

Q. The less the cost per ton, the cheaper it can be sold on the market? —A. Yes, sir.

Q. If the mines in all those regions were worked at their full capacity and could produce 65,000,000 tons of coal instead of 32,500,000, it would reduce the cost of production about how much?—A. A very great rate; but you are stating a proposition that is impossible. If you get double the quantity of coal the markets will have no place for it.

Q. Many people would use it, perhaps, if they could get it cheaper?—A. I think not. Half a million tons of surplus will break down prices. To do good business you would have to fix your production at about the quantity you can dispose of.

Q. I do know this: In the West, where I live, a great many people there would use anthracite, because it is more cleanly, if it were not for the high prices?—A. The difficulty in getting coal West is getting the transportation for it. The difficulty is great in getting cars to take it there.

Q. Is there no way by which the companies and the miners could make reasonable prices and wages, and by increasing the amount mined, to supply it to the whole consuming public at a cheaper rate?—A. That is our ambition.

Q. That is what you are trying to do, you are furnishing the coal as cheap as you can?—A. Cheaper than we should in consequence of the investment.

Q. As a matter of investment? I am not familiar with the history of this anthracite coal mining, but take the Reading Company: it starts in with a nominal capital stock of $8,000,000, but, I learn, in various ways and for some purpose or other, has incurred a debt of $35,000,000 or $40,000,000, covering all its property. Now, I know little or nothing about the transaction, but it is possible that this corporation to-day is by some sort of manipulation endeavoring to pay dividends based upon stocks and bonds that were not issued upon proper consideration, and to do that you would have to keep the price of coal up. You simply bought the individual owners out, creating all this enormous debt, and you now do not mine coal on the greater part of the land?—A. The facts are we have individuals there now. Say there are men who have $100,000 invested in coal and the price goes down, and the money was gone. A good many individuals have placed $100,000 or more in a mine, and prices have gone down and the $100,000 is gone.

Q. I find a statement in one of these books showing that within the last six years these large mining corporations have increased their productions over 100 per cent., whilst individual productions have decreased in an equal ratio?—A. The individual leases have expired and the collieries reverted to the owners.

Q. Is it not a fact that the large companies control the lines of tra portation and by that are enabled to crush out these individual forts?—A. No; I think in many instances the individuals were glad be bought out.

By the CHAIRMAN:

Q. I understood you to say that the Reading company, of which are sales agent, had no further room for coal here; you only mea Port Richmond and Philadelphia?—A. Yes, sir.

Q. Has not the Reading Coal Company large storage capacity at ton, Providence, and Portland?—A. No, sir. We have at Salem, N buryport, etc., what we term coal pockets, where we transfer coal f the vessels into a building, so we can draw off the pocket into the road cars.

Q. You have under you agents who sell coal?—A. Yes, sir.

Q. Do these agents get instructions in regard to the prices from yo from conferences with the sales agents of other companies?—A. Di ly from me. I regulate the prices myself at all these points.

Q. But I understood you to say awhile ago that it was the price further notice after conferences with the sales agents of other coal- ing companies.—A. You misunderstood me. I did not say so.

Q. Did you not say, sir, that there was a sort of coal board or sy cate in New York?—A. I said there is a coal exchange.

Q. Well, it is the same thing; a different name for the same th I further understood you to say that while you have no official con tion or any membership with that exchange that you conferred freely with the individual members, and that you all agreed upon prices.—A. You misunderstand about our all agreeing. I said frankly that I liked to meet them whenever I got an opportunity.

Q. Did you not say that you determined the prices after first ferring together?—A. I did not, sir.

Q. As individuals?—A. No, sir; I did not say so, because suc not the case. Really the case in making the prices depends upon condition of the market and the supply of coal.

Q. Do you not get your own information about the condition of market from sales agents?—A. I should say I get my best informa outside.

Q. They deceive you, then?—A. Probably they would not give any information, or the information I am seeking for.

TESTIMONY OF J. W. JONES.

J. W. JONES, sworn and examined.

By Mr. PARKER:

Q. How long have you been a resident of Philadelphia?—A. F one years.

Q. What is your present occupation?—A. Doing nothing just now

Q. Are you a statistician or an accountant?—A. I have had a g deal of experience in that line in my life, sir.

Q. Have you also studied the statistics of coal production and t portation?—A. Well, in the sixteen years I was with the Reading road Company I was very familiar with it, but for the last ten ye have not kept myself posted.

Q. You were in the employ of the Reading Railroad Company, about sixteen years, ending ten years ago?—A. Yes, sir.

Q. What was your position?—A. I went there as clerk to the president. I was general freight clerk, purchasing agent; I was controller of accounts and vice-president, and during the absence of the president I attended to his duties when he was over in Europe.

Q. Since that time have you kept watch of the movements of coal and the transportation?—A. Yes, to a certain extent, but not to the details of it as when I had to do with it when I was with the road. My duties were more financial and accounting than otherwise.

Q. You have naturally felt more interest in the Reading Railroad and the Reading Coal and Iron Company since your connection with it than you would have felt except for your connection with it?—A. Undoubtedly, sir.

Q. Did you ever have your attention called to the articles written some ten years ago in the North American Review by Loyd and by Hudson?—A. Yes, sir; I have read them all.

Q. Mr. Hudson says, page 44, January number, 1887:

> It has been told that five railroad companies engaged in transporting this fuel from the mining regions of Pennsylvania consolidated their control by first gaining the ownership of seven-tenths of the anthracite coal land and finally uniting their action to restrict the total output of coal, allotting to each company a stated percentage of the arbitrary total.

Q. What knowledge have you of any such proceedings?—A. There is to my own knowledge, knowledge which a man gets from other people about which there can be no mistake, and which justifies a man in saying he knows it of his own personal knowledge, but of my own personal knowledge I do not know anything about it, yet from my connection I know this statement is true.

Q. You may go on and state such details of that as may seem material.—A. There have been at least three arrangements or agreements to regulate the production and price of anthracite coal since I have had to do with it. Whatever it was, arrangement in reference as to the price, that is, as to the output of coal, or as to stopping the mines for a stated number of days in a year.

Q. When was the first arrangement; about what date or year?—A. I have no data with me, and I shall have to speak entirely from memory; I can only speak from memory. The first circumstance was probably two years after it entered into the coal business. That was rather an arrangement to regulate the output.

Q. About how many years under the first arrangement?—A. About three years; I can not tell you exactly. To regulate the output and giving to each region a percentage of the output.

Q. And covering all three of the anthracite coal regions?—A. I believe the Pennsylvania Railroad did not ostensibly go into this arrangement.

Q. What occurred as to that before that broke up?—A. Then there was dissatisfaction about it, and they agreed to stop a certain number of days in a month. In point of fact, taking all things together, they could produce more coal than the public would take.

Q. They kept up the prices by limiting the output?—A. That was the theory.

Q. How long did that last?—A. I supposed that was in operation at the present time until I heard from testimony that it was not.

Q. To the best of your knowledge, so far as the effect on the public is concerned, does not that arrangement exist?—A. I really can not say. I believe it does, but I do not know it.

Q. What means have you known during this period for the reduction of wages, if any?—A. Nothing, sir.

Q. You have no knowledge upon that. Are you the author of a slip which appeared in the newspapers a few days ago?—A. No, that is Mr. John H. Jones, who makes up statistics of the coal trade.

Q. Now have you made a computation of the losses by either of the existing strikes?—A. No, sir, I have not.

Q. Either of output or wages?—A. No, sir.

Q. Then you can not give us any information as to the effect upon the increase of prices to consumers or loss of wages?—A. No, only the bare fact that I know I am paying more for coal than three months ago.

Q. Give us your experience in that respect.—A. I put in coal last October at $5.50; and I paid $6.75 for miserable coal. I think it came from Richards. I paid $6.75 for it. I made a demand on them for the slate in the coal and they would not allow it. The advance I have had to pay was $1.25 a ton.

Q. Have you any knowledge of the existence now or in the past of pools or trusts in the coal mining or in the coal business, except as you have indicated?—A. No, sir.

Q. You have been familiar with the growth and development of the railroad companies?—A. Yes, sir. I went there when it was a very small baby.

Q. It is now become a large corporation?—A. Well, it has been a decrepit old man, but probably it has not got to its second childhood.

Q. Is there included in the present capital of this double organization some fictitious capital?—A. I will answer you very frankly when I understand you; tell me what you mean by fictitious.

Q. Capital not represented by property?—A. Yes, sir; there is a very large amount.

Q. Give any instance of that?—A. Unfortunately I have got to talk from memory. I did not know you would catch me here.

Q. You have a good memory. We are not technical about dates and will be satisfied with round numbers. If you will give us the origin and growth and existence of this fictitious capital we will be obliged to you.—A. I am not hesitating to answer. I am only thinking how to commence. The scheme of the purchase of the coal lands originated with Mr. Gowen, who was actively the projector. In 1869 or 1870, Robert McCalmont, one of the heaviest stockholders of the company, loaned Mr. Gowen 80,000 shares of stock upon which to borrow money to purchase coal lands secretly. When I say secretly, I mean we were not advertising to the world everything we were doing. I do not mean anything irregular. Several million dollars were borrowed upon that stock to use in the purchase of coal lands. That was in the fall of 186 or in 1870. In the early spring of 1871 the Laurel Run Improvement Company charter was obtained, because the railroad company had a chartered right to own coal lands and to mine them. At the same time the railroad was furnishing F. B. Gowen, trustee, several millions o dollars in addition to what he had borrowed upon this stock. When the charter was obtained the whole business of the purchase of coal lands by F. B. Gowen, trustee, who was clerk and kept the accounts, was turned over to the Laurel Run Improvement Company, and this company assumed the debts of F. B. Gowen, trustee, the assets and debts of the business. Then the name was changed to the name of the coal and iron company. I was in charge during the absence of the president in Europe. During that year the mines did not pay the expenses, neither did they in 1871, 1872, 1873, nor 1875, and that loss was capitalized;

it is, charged to the cost of the capital. That amounted to between ,000,000 and $15,000,000. In addition to that there is now on the ks—if I could get the last annual report I could get the figures ex- ly. [A report was handed him.] This is not the last one but it is nearest one I can get to it. Eighteen hundred and eighty-seven is t I wanted: this is 1884. In the annual report ending November 1885, page 70, one balance to be added to profit and loss is $10,125,- That does not appear in this plan; I do not know what they have with it: I suppose it is charged to cost of coal lands. That sum of ,000 and $15,000,000 does not represent any property at all. is all. Now I have answered your question, sir.

Is there any other matter upon the subject of which we are speak- hat you can give us information about?—A. No, sir; I do not hat I can from my knowledge. Of course a great deal of it is sition, etc.; I have nothing of importance, I think.

By Mr. CHIPMAN:

What are your sources of information in regard to the distribution percentage of the output and of the stoppage of the work?—A. company had notice. I was secretary of the company.

You state that some things you do know, and some things you do now well enough to give your testimony any value. I would like at your sources of information. Please describe that. How did rive that information?—A. I derived it from the report of the dent of the Reading Railroad Company, who attended all the meet- and as I was one of the executive officers of the company, it was siness in part to see that the company did not exceed its allotment.

In that way you know about the allotment. Now, then, about ppage of work; how did you know that?—A. That is probably annual report.

Did you get it from there?—A. I know it was all published there.

How did you know?—A. It was during my time as secretary and of the company.

So your testimony in regard to it is confined to the time when you an officer of the company?—A. Certainly.

And you knew it officially?—A. Yes, sir. If you turn to those re- ts you will find exactly what I have testified to.

By Mr. ANDERSON:

Q. You said, upon information which was convincing to you, this com- ation of carriers and outputters of coal to regulate the prices did ex- up to a certain time. That date I did not catch. What was that?— I did not name the date. I stated distinctly that for the last ten ars I had no personal knowledge, and therefore I can not speak posi- ely. I can only speak of what I have heard and been told of these ings.

Q. It was stated in evidence, I think by Mr. McLeod, that he believed ch an arrangement to have been in existence up to 1885. In your lief, was that arrangement in operation so late as that?—A. Yes, sir; hink it was.

Q. Now, the question I wish to ask is this: During that ten years tain conditions of things existed in the market. Has the market as that condition changed since 1885 in any way so as to make you think at an arrangement does not exist to day? Let me explain that a little. uring that ten years there were certain forces at work producing given ults in the market. Do you doubt there are the same results to-day which might be explained, and probably would be explained, if th forces were now at work?—A. I hesitate to answer your question finitely on account of my want of knowledge in the last four or five ye I have not kept myself posted. The general fact being that severa the anthracite companies can produce, working full handed, very m more coal than the country will take. Therefore some kind of un standing among them is absolutely necessary, especially in view of fact of the large bonded indebtedness of the mining companies, s greater and some less, I think the Reading being the heaviest. Th fore some arrangement in regard to their business has been absolu necessary. Now, since that time I do not know of any effect in market or conditions of the market that would have changed tha rangement. I do not know of any that would have changed it. single point is that in 1879, I think it was, the Reading Railroad C pany threw an enormous amount of coal into Buffalo, which was sol less than the cost of mining and transportation, and through the V as far as Chicago. That is of my knowledge, because I have a si living West, and she stated it was the first time they had burnt ant cite coal. Several hundred thousand tons of coal; and since that t the market through Buffalo has been one of the changes of these ditions of the company. This takes a surplus of coal that would h been thrown on the Eastern market. That is the only great change t I know of that has occurred in late years.

Q. For several years anthracite coal was used in Kansas, 200 or miles from the markets, and was carried, I think, beyond that point A. It sold that year in Chicago, I think, at $6.50 a ton at retail.

Q. There would be the same advantage to the carrying compa who were substantially the controllers of the output, to have such arrangement to day, would it not?—A. Yes, sir. If they had to dep upon the local trade they would not be enabled to live at all. T collieries at the present low prices of coal, the prices that have prevai for the last three or four years, must work, I do not speak this of own knowledge, to its full capacity to make money. If they sup the market the price of coal goes down. Any place they can send t coal to, to relieve the supply, helps the market. Otherwise, instead paying $5.50 for coal in Philadelphia or for coal at Port Richmond would have to pay $1.50 more. So the reduction in price by the co petitors in coal make them depend upon their local business to ena them to sell that at less price.

Q. Did I understand you to say that you are connected with coal trade here?—A. Not now.

Q. Do you know whether ordinarily the price of coal sold by Reading Company to the city trade is higher than the same coal at P Richmond, or lower?—A. The city coal commands better price than P Richmond. That is what I should judge from the printed circulars. should say it does now. But there have been one or two instan where it was the other way.

By Mr. CHIPMAN:

Q. You have been giving some information about this output. Y are aware that there is a large extent of country in the West, prai land, where they have no trees or wood for fuel. You are aware t pretty far west, I should judge as far west as the Mississippi, the pr of wood is very high. You know that?—A. I should know they facts that exist.

Q. You are also aware that for domestic uses, and in some cases manufacturing purposes, bituminous coal is considered very undesirable?—A. Yes, sir.

Q. Now, how is it, with this tremendous growing demand from all this section of the country for anthracite coal, that the output does not become larger, and while the companies may not get so much profit upon a ton of coal, yet in the aggregate by selling this coal at a lower price they would make more, as they have the whole continent before them? I want your opinion.—A. My judgment about it is that the anthracite coal companies do not work up the business as they should. Five or six million tons could go through Buffalo for distribution if the company would work that as they should.

Q. How about Chicago, Detroit, Cleveland, Wisconsin?—A. Buffalo is the best point on the lakes for distribution. It has the advantage over the other points.

Q. How about Detroit?—A. Detroit does not compare with Buffalo.

Q. Is it far to Cleveland?—A. No, sir.

Q. How far is the distance to Toledo, which is a very great distributing point, compared with Buffalo?—A. It is over 250 miles.

Q. By rail. How much further would it be to Toledo from the anthracite regions generally than it would be to Buffalo?—A. It would be 150 to 250 miles.

Q. There is 150 miles between Toledo and Cleveland?—A. No, sir, but between Toledo and Buffalo. Buffalo is as near as any point on the lakes to the majority of the anthracite fields, and it is by far the best shipping point for many reasons, but especially the United States Government is building a breakwater, and besides there is an enormous amount of cattle shipping and lumber trade, so that the vessels can get back loads. And clear up as high as Duluth, for hundreds of miles, these immense vessels coming from Buffalo and coming from Cleveland and coming from these other points come back loaded with coal. Many a ton of coal is shipped from Buffalo for 50 to 80 cents. They would take it almost for ballast sometimes; they would take it for almost any price. The Lehigh Valley is spending millions of dollars in Buffalo for tugs and steamers and in other investments.

Q. Are not we talking about paying interest on the investment? In calculating the expenses of this company, do you mean the interest on the entire coal investment of the Reading Railroad, or is it to be calculated simply on the mines they are working?—A. Almost all the debt of the Reading Railroad Company at the present time, the greater amount of it, was in the purchase of these coal lands. There were but $4,000,000 or $5,000,000 of debt at the time they commenced to purchase the land, and the company have a debt to-day of something about $150,000,000.

Q. I think the statement is that the coal and iron company's debt directly is about $35,000,000?—A. No, sir; the lands were purchased partly for cash.

Q. I want to get at this: Do you consider it legitimate on the part of the company if they had lands worth $35,000,000, and out of that mines worth $4,000,000 or $5,000,000, to try to make that $4,000,000 or $5,000,000 pay the interest upon the $35,000,000?—A. No, sir; undoubtedly not.

Q. Are not these lands, to your knowledge, that great mass of the Reading lands—are they not entirely unproductive, the great mass of them? I think they say they have 45 collieries, 11 of which they lease, leaving 34 of their own, and they have about 95,000 acres of coal land.—

A. Taking your question to mean literally what it means, unprod ive, that means the worthlessness of the land.

Q. I mean mining tons of coal; in that sense?—A. I answer question in the affirmative.

By Mr. Anderson:

Q Have you examined this recent plan of reorganization of the pany. Do you know anything about it?—A. Yes, sir.

Q. I have not, and I will be obliged if you will show us in the exactly how it works.—A. Briefly, it is this: The Reading Railroad pany found itself unable to make the interest on, well say, $60,00 or $70,000,000, say at 6 per cent. The plan of reorganization takes bonds and converts them into bonds bearing no interest unless ea and thus cuts down the fixed charges $16,000,000 per annum dov $10,000,000, and the holders of these new securities get no interes less it is earned. That relieves the company from the danger of de in paying its interest, and places it out of debt in a condition wh anything is earned the bondholders will get it, and if not earned will not get it.

Q. That is a pretty good plan of reorganization?—A. It depends how deep you go. I do not express any opinion one way or anothe was going to add, they assessed the stockholders, I think, $10 a s and some holders of the junior securities also 10 per cent., receiving about $12,000,000 to pay off the floating debt. That was the pl reorganization.

Q. Has some small syndicate control of this?—A. It is a prett one.

Q. How many persons?—A. That is a secret; nobody knows.

Mr. Chipman. How is the $12,000,000 provided for?

The Witness. If you held a hundred shares you were require pay an assessment and get non-interest-bearing bonds.

The Chairman. Suppose you did not pay it?—A. As the matte now turned out, you are that much in pocket; because had there be foreclosure you would have lost the stock, but as they did not close you would have saved $10 a share if you did not pay it.

By Mr. Stone:

Q. You stated, as I understood you, that while you were conne with the Reading Railroad Company officially the president of the company told you that the output of coal was limited by some so arrangement?—A. Yes, sir. I put the answer in the way I did bec I was not present at the meeting when that was agreed to.

Q. Do you understand that the president and representatives of various companies had conferred together before coming to that clusion?—A. Yes, sir.

Q. And, as Judge Tillman suggests, habitually did it?—A. Fo time that that arrangement was in existence. I think these annua ports will tell you that.

Q. Would that not fix the price of coal by regulating the outpu A. Yes, but not by agreement, because the coal owners could fix price without concert of action.

Q. Can you say about how much of these coal lands, 90,000 acre more, is valuable as agricultural land?—A. Not from any pers knowledge of it. I can only say that the company owns in the ne borhood of 140,000 acres, of which about 95,000 are coal lands. T is to say, they are judged to be coal lands.

t is, then, set apart as coal land?—A. Yes; in the sense you un-
ad it. The other is not one tract of land.
Vhere is that?—A. Interspersed among all these lands. I sup-
here is a large amount of timber lands in the southern part,
the Dalton (?) and Susquehanna, and there are some 14,000 acres;
s no coal on in a body.
Iow far back did your connection with the Reading Company
—A. 1861.
Vere you connected with it during Mr. Smith's presidency?—A.
rough that.
Mr. Smith testified this morning that at the close of his adminis-
the company was earning good dividends, and had a debt of
bout $7,000,000?—A. That is correct, sir.
an you explain to this committee what has been the cause of the
n, within ten years after Mr. Smith ceased to be president and
ministration ended, that the increase of the debt of the Reading
ad Company, including its guaranties, has reached the enormous
f something like $200,000,000?—A. You ask me can I tell you
caused it; undoubtedly I can tell you to a penny, but not here now;
can give a general idea, and I can take the books and get a state-
to a cent. It can be made up from these annual reports to a
. Turn back to 1871, for instance, you will find on page 32 the
lebt of the company is $10,000,000. That is the total debt here
s statement. Now turn from that to 1885 and you will find it is
0,000. Now, in each one of these reports each year is an explana-
f what that increase is year by year, and it can be gotten from
books in a general way. It all resulted from the purchase of that
that has so much increased the debt, and of course by buying
y of the engines, cars, railroad stock, and such things; but all
ogether is not one fifth of the increase. Now, that is speaking
memory. Four-fifths in this connection was in consequence of buy-
se coal lands.
But that company during your administration was making money,
g interest on its debt, and declaring dividend on its stock?—A.
arning them, every dollar of them. That was before they went
he coal business.
Then you attribute the reverse of fortune largely, at least, to this
ment in and operation of coal lands?—A. And the manner of its
gement.
Of its management as a railroad company?—A. Of the whole
—that is to say, buying coal lands which can not by any pos-
y be needed for fifty years, and by the time these lands will be
el the cost will be $70,000,000. If you will examine it you will
t to be so. What you mean is, if the affairs and operations of a
on of the coal lands would make business enough to pay the in-
on the whole debt.
Do you know the amount of bonds that have been given for the
ase and development of coal lands upon which the Reading Rail-
Company is paying interest?—A. I could make a statement and
on exactly. For instance, I could go over it and find how much
There, on the balance-sheet of the Reading Railroad Company,
hat is called purchase-money mortgage bonds—that is to say, I
a house from you for $10,000, I give you $2,000 cash and mortgage,
0. I make that mortgage represented by thousand-dollar bonds.
amount is $11,000,000. The $8,000,000 stock of the Coal and Iron
pany is money which the railroad company loaned on the Laurel

Run Improvement Company. That is $20,000,000 in round figu The Reading Railroad Company owed, say probably $40,000,000; t makes $60,000,000. Then the Coal and Iron Company owes the r road company $15,000,000. That is $75,000,000. Where does the $ 000,000 come from? From the treasury of the railroad company. T the Reading Railroad Company has sold bonds and loaned money the coal company to the extent of $20,000,000, $40,000,000, $15,000,(and the Coal and Iron Company then gave mortgage on the prop to the railroad company to cover this debt to the extent of $50,000, of it.

Q. Now, what did the Coal and Iron Company do with this imme amount of money?—A. Paid for the coal lands and what they lost have shown you that $25,000,000 was lost.

Mr. CHIPMAN. As you speak of that as being money lost, that done properly and legally?

The WITNESS. Certainly. That does not enter into the questio the coal lands. I simply explained the book-keeping.

PHILADELPHIA, *February* 18, 1888

The CHAIRMAN. I wish to make this announcement. All witnes are entitled to $2 per diem and 5 cents per mile. Each person who h been subpœnaed, upon application to the Sergeant-at-Arms will recei his per diem and mileage; or if any of the witnesses choose to cor spond with the committee in Washington, the pay will be sent to the

CHARLES E. SMITH—Recalled.

The CHAIRMAN. The committee is ready for you now. You promis some information yesterday which you said you would furnish th morning, not having it on hand yesterday.

The WITNESS. The committee asked me one question as to the amou of general mortgage bonds. I stated it was $40,000,000; I find it w $60,000,000.

Q. Please explain that.—A. I will explain it to you in a moment, soon as I find it. I do not intend to offer this volume in evidence, b I use it to refresh my memory. It contains copies of all the mortgag and all the bonds ever issued by the company. This was published the company, but in separate pamphlets. I had them bound togeth for my own convenience, but you can get any of them at the Readi offices if you ask for them.

Q. We are only asking for aggregates, not details.—A. This gene mortgage of the company was for $60,000,000, of which $40,000,(were issued and $20,000,000 were reserved to pay off prior mortgag as they matured. Only $40,000,000 of the bonds were ever issued. can tell you how many general mortgage bonds are now outstanding the report of last year. Another question you asked me was as to t general mortgage being a lien on the coal lands. Here is a copy of t general mortgage. After reciting various things, it also says: "A also all that certain bond or writing, obligatory and indenture of mo gage securing the same bearing even date herewith, executed and (livered by the said Philadelphia and Reading Railroad Company." that it makes the third mortgage on the coal company.

ARKER. That is the blanket mortgage, I suppose, since it covers

ITNESS. The mortgage represents all the property given in
by the railroad company; cars and engines, tracks, steam col-
id liens on the coal lands. You asked me how the lands were
This preceding statement relates to the mortgage bond of the
g Coal and Iron Company.
ho was that issued by?—A. The Reading Railroad. Here is a
f land costing $475,000; amount of bonds issued, $420,000;
re there was $55,000 in cash, practically about 10 per cent.

HAIRMAN. Was that about the usual proportion between the
l bonds for the purchase money?

ITNESS. Here is the next one: Price of land, $300,000; amount
ls issued, $200,000.
ould you spare us that document?—A. I give it to you.
lease read us the following.—A. Next, $178,479; bonds issued,
0, so there was $479 paid in cash out of $178,000. The next,
, of which $58,000 was given in bonds and $347 given in cash.
e do not care to go into details. If you will give us some gen-
erage we will be obliged. Can you spare us that book?—A. I
ve you that. I made a mistake yesterday in saying the bonded
as about $9,000,000. Here is the first annual report which I
The bonded debt at that time was $11,819,400. The report Mr.
n wrote shows the difference of $6,951,000. I reduced it one-half.
sked me to fix the date of receivership. I can not fix both of
but the first receivership was on the 21st of May, 1880.
It is not so material.—A. It was two or three years afterwards, I
Here is a pamphlet which may be of use to you; it shows the
h of the bonded debt.

I. A. SWEIGARD—Recalled.

PARKER. Have you the agreement made with the Knights of
in 1886?

WITNESS. I have a copy of it.
ill you please present it? Can you spare us this copy?—A. I

this a true copy of the original?—A. It is.
ithout change or variation?—A. Yes.
ill you refer to the clause upon which the claim is based that no
all be discharged without a hearing?—A. Clause 13. "That every
ceive a fair trial and investigation for any accident that may
curred through his carelessness."
s that all of the clause?—A. That is all of the clause that is in
greement.
If any one representing the other side wishes to call attention to
ecific portion of this agreement as claiming anything further than
lause, we would like to have it here now. If not, we will put the
in evidence and examine it further.

EXHIBIT 36.

That George C. Bowers, dispatcher at Richmond, and C. F. Evans, foreman of
iers, be removed.
That no man be discharged for complicity in this movement.

(3) That not less than ten wharf engines will be employed for the balance of this year, after which time such engines as Mr. Sweigard may think necessary only will be run.

(4) The wharf engines be transferred to their former stations, and crews be paid semi-monthly as heretofore.

(5) Crews cleaning engines shall be paid shop-time as heretofore.

(6) That twelve hours shall constitute a day's work; say from 6 a. m. until 6 p. m., or from 7 a. m. until 7 p. m., as the case may be, and overtime to be paid pro rata.

(7) That each man be promoted in his turn if found competent.

(8) That employés of the coal wharves stop work as follows: At 6 p. m. from October 1 to May 1, and 7 p. m. from May 1 until October 1, if found necessary.

(9) That all men employed in drawing fires shall be paid overtime after twelve hours' service.

(10) All brakemen of shifting engines in Philadelphia working over one year to receive $1.80, and over two years $1.90 per day of twelve hours, this being the old established rate.

(11) No partiality to be shown among employés, as has been the case under the old management.

(12) That a full day be allowed ropers for work done on Sunday for any time made over and above four hours. Any time made by ropers in other work than moving coal-cars shall be paid for actual time made.

(13) That every man receive a fair trial and investigation for any accident that may have occurred through his carelessness.

(14) That a man's suspension dates from the time of his being laid off.

(15) That no dispatcher shall stop a man from working elsewhere, it being understood that a discharged employé can only be reinstated upon a letter from the genera superintendent.

(16) That the company will at all times receive a committee of its own employés t adjust any differences, and in the event of such committee not being able to come t an agreement the company will not object to see a committee of arbitration compose of Knights of Labor.

(17) That men drawing fires shall be promoted if found worthy.

(18) That an employé asking to be off duty will be given a final answer, either ye or no, as the case may be.

(19) That twelve hours be counted as a day's work on coal trains between Richmond and Palo Alto or Tamaqua, as the case may be, from the time the engine is coupled to the train, and any overtime made shall be paid pro rata, except when delayed by an accident caused through the carelessness of an employé, in which case no extra time will be allowed. If such accident is caused, however, by broken axle, wheel, rail, etc., then the company allow all time made over twelve hours.

(20) That brakemen and conductors be called when not residing further than 1 mile distant from dispatcher's office at Richmond; same is now being done with engineers and firemen.

(21) When coal trains haul fifteen or more freight cars at one time the conductors be allowed 15 cents additional for making report, same as freight conductors.

(22) When main-line employés are sent from one point of the road to another as passengers, but on company's business, they shall receive pay for same.

(23) That crews when sent from Richmond to Belmont or Broad street to move freight or coal trains be paid extra time from the time that they leave Falls until they return to that point.

(24) Free passes will not be issued to employés. When on duty they will be furnished with a ticket, and if unable to use the ticket before its expiration, if same be returned to the dispatcher, another ticket will be issued in its stead. This rule to hold good for employés coming to Philadelphia to be paid, but in that case ticket will be furnished only upon an order from the division superintendent.

(25) Wharf hands to be paid from the time they are ordered to work by the foreman.

I. A. SWEIGARD,
General Superintendent.
JOHN KELLY.
HENRY I. BENNETT.
JOHN B. KELLEY.
EDWARD TONER.
JOHN GRADY.
JAMES COLL.
AMB. F. HEDE.
BERNARD J. SHARKEY.

PHILADELPHIA, *December* 28, 1886.

Have you the voucher of which you spoke yesterday? I mean the al.—A. The original, and also a copy.

Will you allow us to inspect the original. (Turning to a gentleman ng near.) Do you know Lee's signature?

Sweigard (answering). If there is any doubt about the signa- iere is a letter Mr. Lee wrote me. That is his signature.

Have you a copy?—A. I have no copy. That is the original, but in have that if you want it.

Chairman. Is this voucher the original voucher?—A. It is the al voucher, and this is the copy of it.

Parker. Will you please read that voucher so it can be taken? itness read as follows:)

EXHIBIT 37.

PHILADELPHIA, *November* 4, 1887.

rs of the Philadelphia and Reading Railroad Company to John L. Lee, Machinist, Ninth and Green, Philadelphia, Dr.

For special services rendered during October, 1887, twelve and one- lays, at $2.50 .... $31.25

ct ($31.25).

I. A. SWEIGARD,
General Superintendent.

ge, transportation expenses, approved.

D. JONES,
Comptroller.

ived payment in full November 15, 1887.

JOHN L. LEE.

of Labor of America. Philadelphia and Reading Railroad employés. Office of the executive board. John L. Lee, chairman. Joseph Cahill, secretary.

HEADQUARTERS, EXCHANGE HOTEL,
Pottsville, Pa, *December* 5, 1887.

WEIGARD,
eneral Superintendent Philadelphia and Reading Railroad:

t SIR: Will you endeavor to settle this Cressona difficulty, as to the laying over ies at Palatto, as it certainly is causing a great deal of bad feeling among the nd there is no decided advantage or saving for the company, only the wear r of the empty engine. Running to and from Palatto there is no objection Passengers having to ride from Pottsville to Schuylkill Haven on the north- rack. Should there be an accident the company will suffer.

JOHN L. LEE.

b answer.

Iave you any statement you wish to make in addition to the ' further than the evidence you have already given?—A. I have

Chipman. I want to know what the trouble was at that time in l to this letter?

Witness. The trouble was this: In order to avoid running light :s between Cressona and Pottsville, that you lay over at Cressona; und it very expensive to run light engines between Cressona and ille merely to get the cars to our mines. They were made up at ona and engines were run from that point to Pottsville and return, y to take them there and back. We changed that and it caused trouble and feeling among the men, and Mr. Lee, who was in that ty, called my attention to it at the time.

Mr. STONE. The traffic charges per ton per mile of the Reading Rai road are considerably larger than those of other roads going into th coal mines?

The WITNESS. I do not know anything about that.

TESTIMONY OF JOHN NORRIS.

JOHN NORRIS, sworn and examined:

Mr. ANDERSON. I wish to state that on the first day Mr. Corbin wa examined I asked some questions from an article which had appeared i the Philadelphia Record, and which seemed to me to be important. Im mediately upon the adjournment of our session I called at the Recor office to see the author of that article, who is the gentleman now pres ent, Mr. Norris, and sent for him for the reason that we found it wa very difficult to obtain information from the railroad men. I think, pe haps, he can give us the information we are seeking.

Q. What is your name?—A. John Norris.

Q. Where were you born?—A. In Philadelphia.

Q. What is your age?—A. Thirty-one.

Q. Where is your residence?—A. 320 Carpenter street.

Q, What is your occupation?—A. An editor of the Philadelphi Record.

Q. How long have you had connection with that paper?—A. Sinc 1877.

Q. Have you had occasion to investigate the railroad question ge erally, and the Pacific railways in any way?—A. I was connected wit the Pacific Railway Commission as statistician.

Q. Have you had occasion recently to examine the facts in regard t the coal trade and the distribution of coal by the railways in this State?—A. I have been investigating that subject more or less for four year and as a result of that investigation the Philadelphia Record has gon into the coal trade to regulate the retail prices in Philadelphia, havin reduced the retail price from $6.50 to $4.90 per ton.

Q. How was that done?—A. By placing orders without any profit t the Record.

Q. You state in this article that the real cause of the present troubl with the Reading employés dated back to 1870, when the railroad com pany forsook its legitimate function of carrying and engaged in co mining, thus becoming its own customer. You also state that prior t that time the Schuylkill region had been enjoying great prosperit Can you state the prices of coal and the rates of transportation prior t 1870 as compared with those of to-day?—A. The retail price in Phil delphia in 1859–'60 was $3.60 to $4 a ton, being for a short ton, whic in making comparison with the present retail prices, would make $4.4 as against the present retail price of $6.50 and $6.75. The wholesa price had been $3 in Philadelphia, and it is now for the city trade $4.8 showing an increase of $1.80 in thirty years. The price of transport tion has been increased from $1.22½ in 1852 to $1.80, though the co generally of rail transportation has been decreased in twenty-five yea to the extent of 80 per cent., that general reduction being due to the u of larger engines and steel rails and a greater capacity in the cars. T reports of the Philadelphia and Reading Railroad Company the selves show a reduction in price of something like 60 per cent. in t cost of moving the wheels.

Q. Have you any other facts in that connection which you wish to present?—A. If the committee wants such a list, I can furnish a list of the retail prices for coal in Philadelphia from 1850 to the present time, but the facts I have given generally cover that point.

Q. Can you furnish tables which would appear in your testimony, giving the price in the city and cost of transportation and data by years upon which you rest this statement?—A. Yes, sir; at the time that the people of Philadelphia were paying $6.50 for coal at retail the Pennsylvania Railroad Company was delivering coal to its employés at a cost of $3.20 a ton, and at the same time that the Lehigh Valley Coal Company was selling coal to the people of Philadelphia at $6.50 a ton that same company was selling the same coal in the city of Wilkes Barre at $2.50 a ton; the only difference being the transportation.

Q. What is that difference?—A. The cost of transportation, which is about 62 cents. Of the present retail price of coal in Philadelphia, $6.50, $1.70 of that amount went to the dealer, the wholesale price obtained for the city trade being $4.80. The cost to the company is $2.69, for royalty on the coal, for cost of mining, and for transportation, divided in this way: royalty, 50 cents; cost of mining (as appears by the Reading Company's report), $1.57; cost of transportation, covering maintenance and general expenses, 62 cents.

I have some circulars of the railroad company showing that at the present time, while it is charging the people of Philadelphia $4.80 wholesale for this coal, it is selling the same coal at Port Richmond, which is in Philadelphia, for $4, if the coal be intended for shipment outside the Delaware capes. And that is divided in this way: if the coal is to be sent to the city of Philadelphia, the Reading Coal and Iron Company charges $3 a ton for the coal and charges $1.80 for transportation from the mines to Philadelphia, making a total of $4.80. If the coal, however, be destined for outside shipment, the coal will be sold for about $2.20 a ton at the mines, as opposed to $3 for the city trade, and the transportation will be $1.50, making a total cost of the coal on the track, not on board, of $3.85, and put on board it will be $4, as against $4.80 if intended for the city trade, the discrimination against the people of Philadelphia being about 95 cents a ton; but that is discrimination on State traffic and not an interstate traffic. I have taken from the reports of the Reading Railroad Company a statement showing the cost per ton at the mines from 1873 to 1887, the prices obtained by the Coal and Iron Company at the mines from 1876 to 1887, and the cost of transportation on the railroad from 1850 to 1880, showing really the cost of moving the wheels and showing a reduction——

Mr. PARKER. We will get you to put that in.

A. And showing a reduction from 41 cents for the transportation early in the fifties down to 15 cents a ton at the present time for moving the wheels from the shipping point to Philadelphia, a distance of 91 miles.

Mr. STONE. Do you mean to say that is what the railroad receives from the coal company or what it costs the railroad to move it?

The WITNESS. What it costs the railroad company to move it. For instance, in the year 1879 the cost was stated in the report of the Reading Company for carrying a ton of coal from the shipping point to Philadelphia at 15 cents a ton. That represented merely the movement of the wheels. There were general expenses and other items that entered into it, but, as subsequently stated by Mr. Gowen, the president, and Mr. John E. Wooten, general manager, the cost was 62 cents from the shipping point to Philadelphia, while the charge to the city of Phil delphia was $1.80.

Q. This 60 cents, or any other sum you fix it, represents the act expenses necessary to run the trains and maintain the road?—A. Th 62 cents covered all the expenses and maintenance.

Q. Did it represent also the interest?—A. No, sir; but the Readi Railroad Company last year earned about 15 per cent. on the cost the railroad. It is one of the most profitable and best railroad pr erties in the country. The losses, whatever they have been, have co from attempting to combine the business of the miner with that of t transporter.

Mr. PARKER. What costs do you refer to there?

The WITNESS. I give the cost of transportation as it appears in a port of the railroad company. I can get you a copy.

Q. We have that?—A. You will find the entry in the report for 18 In Dr. Chance's book on "The cost of mining," it will be found t many of the coal mines were mining coal at a cost of 82 cents per t while the charges to the city trade have been $3 per ton for that c

The CHAIRMAN. Without including the item of transportation?

The WITNESS. Yes, sir; that is the cost of the coal at the break

By Mr. ANDERSON:

Q. Mr. Corbin has stated that the railroad company has fulfilled its obligations as a common carrier and laid stress upon it. Have y any information as to whether the Reading Railroad has fulfilled obligations as a common carrier?—A. For a period of thirty-five ye the Philadelphia and Reading Railroad Company has persistently a continuously disregarded its obligations to the public as a comm carrier. I make that statement because a constitutional conventi called by the people of Pennsylvania in 1872 laid special stress up the discriminations of the railroad companies. Next, because of t complaints which were rife in Philadelphia in 1872, 1873, and 18 that the individual coal operators in the Schuylkill region were bei turned out and the Reading Company was absorbing all the c mines. Next, because of an investigation held by the State legi ture in 1874 and 1875. Next, because of the combination of the c carrying companies in 1877 to maintain prices. Next, because of investigation of the city councils of Philadelphia in 1884, when fact was developed that this railroad company was charging people of Philadelphia $4.80 a ton for coal, though they were de ering the same coal at Port Richmond for outside shipment at $3. Next, because in 1885 the city council appointed a committee to the legislature to adopt some legislation to protect the people from th extortions. Next, because the Retail Coal Dealers' Association of P adelphia, the Commercial Exchange of Philadelphia, the Maritime change of Philadelphia, and the Philadelphia Textile Association, the boards of trade of various cities of the State had to get the le lature to protect the people from the discriminations of this railr company. Next, because the American Iron and Steel Association 1883 complained of the refusal of the anthracite coal companies to duce prices in accordance with the tendency of the times, and w driving the iron business out of the anthracite coal region. Next, cause coal was sold in Boston cheaper than it was in Philadelph though Philadelphia was almost within sight of the coal mines. Ne because the consumers of this city were being taxed to the extent $4,000,000 a year. Next, because the Reading Company has been llegal combinations almost continuously from 1877 to 1887 to maintain he prices of coal, and because at the present time it is in a combination or arrangement or understanding of some sort with the Schuylkill Valey line to give that line a certain tonnage to fill its mouth, though in 884, when we were complaining of discrimination by the Reading oad, promises were held out to us that, when this competing line was built through the Schuylkill Valley, then we would get fair rates, but as soon as the road was finished we found that we were no better off han we were before. And this plundering is perpetrated in spite of the fact that the anthracite coal-fields are almost at the door of Philadelphia, the Philadelphia and Reading Railroad Company controlling three of these lines from the coal regions to this city, and the Pennsylvania Railroad Company controlling the other three. There was also a combination of four of those companies to fix Philadelphia prices, the facts having been brought out in 1886-'87 during proceedings brought by the Commonwealth of Pennsylvania against these coal companies to break up coal combinations. Next, because their discrimination drove the Record into the coal trade in order to save money to the people of Philadelphia, and because we did save $2,000,000 a year to them by forcing the retail price down from $6.50 to $4.90 a ton. The coal companies have since, however, brought it back. These discriminations and the failure of the carrying companies to perform their obligations as common carriers have been so glaring, that both political parties in Pennsylvania have pledged themselves to the people that they would enforce the State constitution, prohibiting unjust discriminations.

The CHAIRMAN. Yet neither party has done it?

The WITNESS. Only one party had the chance, and that party did not do it. For thirteen years that constitution has prohibited unreasonable discrimination, and has incorporated practically the short-haul principle and has prohibited the mining or manufacturing of articles by any common carrier for transportation over its works; yet in all that time the Reading Railroad Company has been engaged in the mining of coal for transportation over its line.

Mr. CHIPMAN. As I understand it, what you have given us is an enumeration of what might be called local discrimination?

The WITNESS. It is an answer to the question whether the Philadelphia and Reading Railroad Company has performed its obligations as a common carrier.

Q. But it is local, within the State of Pennsylvania?—A. Not entirely.

Q. What do you know about its duties as a carrier of interstate commerce?—A. I can give you an incident that is current in the coal trade. The story is, that one day a buyer went into a coal office on Walnut street, where nearly all the coal offices are located, and asked how much he must pay for 1,000 tons of coal delivered at Salem. The broker said: "Well, I can let you have 1,000 tons at $3.90 per ton on board at Port Richmond." The buyer immediately said: "I will take that amount, and I will send my sloops there to take it off in 60-ton loads." "Sixty ton loads! You must get a schooner to send to Salem." "Not for Salem, N. J." "Oh, I thought you meant Salem, Mass. I will have to charge you $4.55 for coal to Salem, N. J." At the same time that the company sold coal at $3.90, if intended for shipment outside the Delaware capes, it was charging a higher price for the same coal carried down from the same breaker, over the same tracks, and out over the pier at the same point, to the same sort of vessel. If that coal was to be taken to the points in the harbor of Philadelphia, or to Camden, or ad-

jacent points, the rate would be $4.55. You can ascertain, by questi
ing the Reading officials as to what the comparative rates are to-day
tween those sea-board points and outside points, and that would discl
whether there is any discrimination.

Q. That, of course, would give us the price at which the Coal and I
Company sold it here in Philadelphia. What I want to get at is t
Do you know, say within a year back, of any instance in which
Philadelphia and Reading Railroad Company has failed in the perfo
ance of its duties as a carrier of interstate commerce? Mr. Corbin
all of them say there has not been a single failure. Do you knov
any instance?—A. I have been away some months and I am not fami
with that point, and I can not now enumerate an instance of where
is done. I have been away with the Pacific Railroad Commission.

By Mr. ANDERSON:

Q. Have you an idea they are making rebates to-day?—A. I do
think it would be done through the railroad company.

Q. What information can you give concerning the causes of the p
ent trouble of the Reading Railroad Company and how they date b
to 1870?—A. When that company engaged in mining it did so prima
with the idea of obtaining tonnage for its railroad. It began by
sorbing the coal lands of the lower anthracite region and by absorb
competitive routes, and as it bought, it then attempted to keep ot
railroad companies out of the region by buying far beyond its ne
and acquiring an estate of 142 square miles of anthracite coal lands
100 square miles of other lands. The coal lands are capable of a
duction annually of 60,000,000 tons of coal, and yet, at the present ti
the production of the Reading Company's estate is about 6,000,000 tc
In order to obtain a monoply of all these coal lands, the company p
excessive prices for collieries, and I enumerate the White Eleph
tract at Tamaqua, Gilberton, and other places. They have also bou
collieries and stopped them.

Mr. CHIPMAN. Where?

The WITNESS. At Tamaqua. The effect of that was to advance
land values and to advance royalties, so that royalties in that reg
have been advanced from 25 to 50 cents per ton. By going into the b
ness of mining the company increased its debt to the extent of $140,000,
in fourteen years, an average of $10,000,000 a year. It practically
by going into coal mining about $60,000,000, and the way I comp
that is as follows: Before it engaged in coal mining the company
making a profit of 22 per cent., and the officers had great difficulty i
concealing the profits that the stockholders would not ask for more t
10 per cent. dividends. Since then it has gone into bankruptcy tw
and in 1884, when I made a balance-sheet of the two companies, in or
that I might ascertain the actual debt, I found that the liabilities
ceeded the assets to the extent of $60,000,000.

Q. In what capacity did you make that balance-sheet.—A. Simpl
a newspaper editor on missionary work.

Q. Upon what data?—A. From the reports of the company.
company paid in bonds and cash $36,000,000 for the coal lands whic
bought prior to 1870. While it was organizing this great landed est
in the years 1871 to 1875, inclusive, the losses of the coal company w
about $15,000,000, and those losses of the Coal and Iron Company
been met by advances of the railroad company. In 1876 this railr
company accepted as part payment and settlement of that advanc
$15,000,000 an increase of the stock of the Coal and Iron Compa

which previously had been $1,000,000, and which the railroad company owned entirely, so that it did not make any difference to the railroad company whether the stock was $1,000,000 or $100,000,000. In order to conceal the deficiency on its books, the Coal and Iron Company increased its capital stock from $1,000,000 to $8,000,000, and transferred the extra shares to the railroad company, which owned the shares. It also gave bonds for $7,000,000, and that was recorded on the books as a partial wiping out of this loss of $15,000,000 that I have referred to. Then the Coal and Iron Company, in order that it might show value for this stock, increased the capitalization of the cost of the coal lands from $26,000,000 to $41,000,000, and the purpose was admitted in the annual report of the company.

Mr. PARKER. How do you mean it increased the cost in the balance-sheet?

The WITNESS. The explanation was that as the company had been organizing from 1871 to 1875, and as these losses were a part of the cost of the organization, they could be capitalized by increasing the book cost of the coal lands from twenty-six millions to forty-one millions.

The CHAIRMAN. That is, $15,000,000 and $26,000,000 made $41,000,000.

The WITNESS. Yes; it was carried on the balance-sheet as the cost of the coal lands. By going into the coal business and acquiring this large estate the Reading Company not only had to pay a royalty to reimburse itself for the coal it actually took out of the ground, but in addition to that payment every ton of coal that it takes out of the ground is required not only to pay a royalty on the purchase of that particular tract, but has to pay interest for carrying the other nine tons of coal, the land producing six millions a year, while possessing a capacity for sixty millions.

By Mr. CHIPMAN:

Q. It is, then, paying interest on the whole purchase?—A. Yes, sir. When the Reading Railroad Company embarked in this scheme of absorbing the coal lands it did not have any surplus funds to invest, but it borrowed the money at high rates in order to carry this load; but in the course of a very few years the interest on this investment and the bad financiering of the company increased the bonded debt and the obligations of the concern to such an extent that, in spite of the immense profits that were being made by the railroad company as the transporter, it was dragged down to bankruptcy, and in 1877 its officers were forced to resort to artificial methods and to combinations with other companies in order that they might keep the wreck afloat. To illustrate the effect upon the company of these purchases of lands that could not possibly come into the market for development for thirty years, let me suppose that you bought two new houses worth about $2,000 each, one of which was offered to you upon the stipulation that you must not permit that house to be occupied and earn a revenue for you for thirty years, while from the other house you could get rent immediately. No sane man would pay as much for the one house as for the other; yet the Philadelphia and Reading Railroad Company started in and bought these coal lands and this immense tract, buying altogether 250 square miles of land, of which 142 were coal lands, upon the basis that all of that coal land was to be immediately developed. Its policy was not merely to obtain a supply of coal for the immediate needs of the country, but to stop other railroad companies from entering that territory and to prevent other mining companies from engaging in mining there.

Q. Did not the idea of the immense future value of this land enter into it?—A. It was a factor, unquestionably. But in spite of the efforts which this company made to secure a monopoly of these lands it did not keep the Lehigh Valley Company out, and when the Pennsylvania Railroad Company's branch approached the region, instead of keeping it out, the Reading Company offered 600,000 tons a year tonnage if it would keep quiet. But, this year, I understand, the Schuylkill Valley line is to get 1,000,000 tons. Of course I do not know that of my own knowledge.

Q. Do you know anything about the Lehigh Valley?—A. In what connection?

Q. Well, does the Lehigh Valley own coal lands?—A. Yes, sir, under the same sort of an arrangement as the Reading. That is, it has a Lehigh Valley Coal Company.

Q. How much land does it own?—A. I am not familiar with the acreage held by that company.

Q. Do you know of any other railroad company owning anthracite coal lands in the same way?—A. Well, the Delaware, Lackawanna and Western has authority from the State to own a certain number of coal lands, but when I looked into it in 1886, my investigation showed it had then far exceeded its limit.

Q. Do you know that limit?—A. I think it was 2,000 acres. The Delaware, Lackawanna and Western and some of those companies in the Wyoming region have been operating on a system of minimum royalties. They control the mineral rights of large tracts of land. Of course the effect of the policy of the Reading Company and the absorption of the coal lands by that company was to drive out the individual operators, and another effect was to drive away much of the iron business of the Schuylkill Valley. Because of that policy the proportion and percentage of the Schuylkill region output, as compared with the entire output of all the anthracite region, declined from 41 per cent. in 1870 to 32 per cent. in 1880, and it is still on the decline.

By Mr. STONE:

Q. Judge Chipman asked you about other carrying companies controlling these coal lands, and you spoke of the Lehigh Valley.—A. The Lehigh Valley Railroad Company.

Q. I observe in this letter, published this morning, of Mr. Corbin's, in answer to a letter of Mr. Lewis, concerning the terms of settlement, this language:

> *Provided further*, That in any conference over wages, the miners are not to expect us to pay a higher rate of wages for mining than those paid by the other coal-producing companies in competition with us, namely: the Delaware, Lackawanna and Western; the Delaware and Hudson; the Lehigh Valley; the Lehigh Coal and Navigation Company; and the Lehigh and Wilkes Barre Company, but with the understanding, etc.

Those seem to be the companies named by President Corbin as competing with his. Are all those companies carrying companies as well as mining companies?—A. The Lehigh Coal and Navigation Company is a carrying company as well as a mining company, and is interested, I think, in the Lehigh and Susquehanna Railroad, which is leased to the Jersey Central.

Q. Are those companies engaged both in the business of common carriers and in mining?—A. I think the Delaware, Lackawanna and Western is, and that the Lehigh Coal and Navigation Company is transporting as well as producing coal, and I think that the Delaware and Hudson also is. I do not know about the Lehigh and Wilkes Barre.

MAN. You spoke of the Delaware and Lackawanna having
of what they call minimum royalties. Are you familiar
h that to tell us what a minimum royalty is?
NESS. I understand that in some way they pay 6 per cent.
and, as I understand it, payments are to be deducted when
taken out of the ground. I do not understand the system.

Ir. ANDERSON:

was an article appeared very recently, I think, in your
ed "Corbin's blunder of forty millions" which article I shall
ear in our record. Will you please tell the authority you
e figures given there, and also briefly state the points in Mr.
atement and the facts in regard to it?—A. Mr. Corbin pub-
statement showing that for twelve years commencing Jan-
6, and ending January 1, 1888, the Reading Coal and Iron
ad mined 51,000,000 tons of coal and had paid for it, to its
ages, $57,000,000, and had received as net proceeds for the
ed only $44,800,000, making an actual loss in the mining of
12,270,000 during that period. He said:

> rds, we have distributed through the country 51,000,000 tons of our coal,
> ve received every dollar of net money we obtained for it, and we lost in
> $12,270,000 besides.

saw that statement I examined the company's reports, and
om those reports the references which appear in this article.
ent which I published contains a table showing the coal
e company each year from 1876 to 1887, inclusive, for the
velve years, covered by Mr. Corbin's statement. I also ob-
the reports the average prices obtained by the company for
ich it had mined, and multiplying the tons mined by the
the average prices obtained, I obtained the third column,
received, which ought to be the proceeds of the sale of the
by the company, and I found that instead of receiving
that the actual amount received by the company was
.

g a difference of how much?—A. About $40,000,000.
E. Instead of losing, they made a profit?
NESS. Instead of making a gift of $12,000,000 to the miners
eep them at work in the coal region, the company had re-
000,000 in excess of the amount which Mr. Corbin said they
t in wages.

EXHIBIT 38.

CORBIN'S BLUNDER OF FORTY MILLIONS.

festo to the public concerning the strikes of the Reading Company's
ident Corbin indulged in a little jugglery that is hardly likely to mis-
e. He said:
velve years commencing January 1, 1876, and ending January 1, 1888,
has mined 51,000,000 tons of coal; paid for it to its miners $57,110,000,
ed, as the net proceeds for the coal so mined, only $44,840,000, making an
the mining of its coal of $12,270,000 during that period. In other words,
buted throughout the country 51,000,000 tons of our coal, the miners
l every dollar of net money we obtained for it, and we lost in the ope-
,000 besides; and during all these twelve years the stockholders of the
any which transported this coal, who have paid up $40,000,000 of money
k, have not received one cent by way of dividends, and they have just
son, with a portion of the junior securities, to pay in by way of assess-
000 of fresh money to make good the losses of the companies."
his statement President Corbin blundered, if no worse, to the extent of
of dollars. The reports of the company show that the receipts for the

sale of coal by the coal and iron company were not $44,840,000, during the years m tioned, but over $86,000,000 as will be seen by the following compilation:

Year.	Tons mined by company.	Prices obtained.	Amount ceived.
1876	1,853,364	$2.06	$3,817,929
1877	3,794,528	1.30	4,932,886
1878	2,727,608	1.53	4,173,240
1879	4,269,229	1.33	5,679,005
1880	3,460,464	....	6,000,0
1881	3,937,607	1.91	7,520,829
1882	4,111,830	1.87	7,709,681
1883	4,582,667	1.88	8,413,744
1884	4,925,987	1.81	8,916,036
1885	5,236,528	1.65	8,640,271
1886	5,616,363	1.53	8,621,117
1887	6,279,852	1.84	11,599,446
	50,796,027		86,024,188

In the foregoing table the tons mined by the company and the average prices o tained at the mines for the years 1881 to 1887, inclusive, are taken from page 8 the report made two weeks ago by President Corbin. The tonnage from 1876 to 18 is taken from page 93 of the Reading Company's report for 1880, and the prices o tained appear on page 32 of the report for 1879. The amount received for 1880 obtained from the company's income account for that year.

Mr. Corbin's blunder of over forty millions of dollars was inexcusable. He kne that the price obtained by the coal and iron company did not in any one year fa as low as 88 cents per ton, which would be the average price realized on sales 51,000,000 tons for $44,840,000. He also knew that the coal and iron company di not give twelve millions of dollars to miners in excess of net proceeds of coal sale He knew that the practice of the Reading management has been and still is to juggl its figures. It resorted to the trick of keeping down the price of coal at the min and of making up the losses by excessive charges for transportation.

In the years 1885 and 1886 the losses of the coal and iron company were made to ap pear to have been over $1,270,000, though at the same time the railroad company w charging an extortionate rate for transportation, and was making profits that ave aged over $8,000,000 per annum. By this trickery it obtained all the profits for itsel yet was in position to say to the miners that it could not afford to pay higher wag because of the losses of the coal and iron company.

Another and more important point gained by this policy was the almost complet abandonment of the region by individual operators. By fixing low prices at the mine and by excessive charges for transportation the Reading Company drove out nearl all of its competitors, and forced them to sell their collieries.

It may thus be seen that, instead of putting out $12,000,000 for the mere sentime of sustaining the miners, the Reading Railroad Company, with monumental gree acquired 142 square miles of coal land for the purpose of stopping other operato from developing it and of depriving rival railroad companies of the opportunity carry the coal which would have been mined from that land. Instead of sinkin $12,000,000, the company realized $29,000,000 in excess of the amounts paid for mine wages.

When Mr. Corbin stoops to such bold deception as to understate the receipts fro sales of company coal by $40,000,000, it is not surprising that he should also delibe ately misstate the terms of the agreement entered into by the company with its miner Those methods may be countenanced at Coney Island, but they will not be welcome by the people of Pennsylvania.

Mr. ANDERSON. Here is another article, "Philadelphians Robbed $5,000,000 Every Year," in which I notice some statistics as to the co per ton at the mines and some other statistics.—A. This article appear in the Philadelphia Record last Sunday, or last Sunday week, entitl "Philadelphians Robbed of $5,000,000 Every Year."

EXHIBIT 39.

PHILADELPHIANS ROBBED OF $5,000,000 EVERY YEAR.

A ton of coal of the sort sold to householders in Philadelphia, at prices ranging fr $6 to $7, costs at the mines $1.57, and the transportation costs 62 cents, or a total er ton. A number of retail coal dealers of Germantown have questioned the cy of these figures, so it should be stated that the reports of the Philadelphia ading Railroad Company furnished the material on which they have been based. cost of a ton of coal at the mines of the Reading Railroad Company since 1873 n as follows:

Cost per ton at the mines.

Year.	Cost.	Year.	Cost.	Year.	Cost.
	$2.57	1878	$1.23	1883	$1.49
	2.44	1879	1.14	1886	1.64
	1.86	1880	1.43	1887	1.57
	1.35	1881	1.49		
	1.03	1882	1.47		

authorities for the above figures are the report of 1878, page 110; report of 1881, l; report of 1883, page 101; and report of 1887, page 9.

cost during the thirty-one years from 1850 to 1880, of "hauling coal on the elphia and Reading Railroad, per round trip of 120 miles, from coal region to ster and back, with empty cars," as exhibited in the reports of the company, follows:

Year.	Cost per ton.	Year.	Cost per ton.	Year.	Cost per ton.
	Cents.		*Cents.*		*Cents.*
	41.01	1861	20.82	1872	27.10
	38.54	1862	17.50	1873	26.70
	35.38	1863	21.98	1874	24.60
	35.07	1864	30.16	1875	25.40
	41.03	1865	40.45	1876	24.20
	23.61	1866	36.25	1877	20.30
	35.21	1867	36.66	1878	17.90
	36.30	1868	34.57	1879	15.10
	27.74	1869	33.26	1880	18.50
	23.01	1870	32.00		
	21.74	1871	27.05		

1851, as will be seen by the files of the Philadelphia North American of that the Reading Railroad Company earned 6 per cent. on its investment on a freight f $1.22½ per ton from the shipping point to Philadelphia, a distance of 95 miles. the road was built iron rails were more than double the price they are now. numberless inventions and vast improvement in wood and iron working machin- n boilers, engines, lathes, patent switches, and the increased power and size of otives and of freight cars, enable the company to do the same work now at less half the cost in 1851.

akes but one engineer and one fireman to run the large locomotive now used in ng nearly 1,000 tons. A great many of the parts of equipments that were once by slow, expensive, and tedious manual labor are now made at from one-quarter -tenth, even perhaps one-twentieth, of their former cost by automatic machinery n by steam.

1851 the Reading Railroad used wood for fuel, which had to be hauled to circular at its various depots and cut. Since then it has burned coal at greatly reduced and for a number of years it has used coal-dust.

1851 the cost of bringing a ton of coal from the shipping point to Philadelphia ½ cents; now it is 18½ cents. Then the charge was $1.22½ per ton; now it is per ton.

reports of the Reading Railroad Company show that the cost of carrying coal main line and returning the empty cars, after providing for all the expenses, ding maintenance, amounts to 62 cents per ton.

ne time ago the Lehigh Valley Coal Company retailed coal in Wilkes Barre for per ton delivered, and in Philadelphia the same company sold similar coal for per ton. The only difference between Wilkes Barre and Philadelphia was the of transportation; yet the prices varied $4 per ton.

enable the coal companies to continue this plundering a duty of 75 cents per levied on foreign coals. The people may readily ask why the Reading and the sylvania Companies are permitted to rob the firesides of Philadelphia at the rate 000,000 a year upon the single item of coal.

Mr. PARKER. Was that true?

A. The figures here given were obtained from the reports of the Philadelphia and Reading Railroad Company, and show the cost per ton a the mines from 1873 to 1887, and the cost of hauling the coal on th Philadelphia and Reading Railroad Company, per round trip of 19 miles, from the coal region in tide-water and back with empty cars fro 1850 to 1880.

Mr. ANDERSON. What are those figures for this year?

A. The figures have not been given in the reports subsequent to 188 They show for that year 18½ cents, as against 41 cents in 1850.

Q. In what way have miners' wages been paid by the coal companies?—A. In the testimony in the suit of the Commonwealth *vs.* The Co Company, the figures of the State bureau of industrial statistics wer produced, showing the wages paid for four years, from 1882 to 1885, inclusive, and there was a steady reduction every year. The averag weekly pay of all persons employed about anthracite mines in 1882 wa $7.58; in 1883, $7.40; in 1884, $6.90; in 1885, $6.47. The averag wages declined from $7.58 to $6.47.

Q. Average wages?—A. The average wages, including the laborer breaker boys, and everybody about the mines.

Mr. CHIPMAN. Where do you get that from?

A. This table was compiled from the returns of the State bureau o industrial statistics. If you ask the officers of that bureau at Harrisburg, they can give you data up to and including the year 1887.

Q. Is it published in any way?—A. Yes, sir.

Q. I wish we could get it.—A. You can not get 1887 until some tim in 1888, but you can get 1886.

The CHAIRMAN. Could you get the committee the average wages fo the last year?

A. I can ask the State's officer at Harrisburg for it. They will b likely to know it.

Q. And also obtain statistics and other data besides these points yo have been making?

Mr. CHIPMAN. Could you get the published reports and send the to the chairman of this committee?

A. Yes, but you could get that information in a more compact for from the testimony in the suit of the Commonwealth against the coa combination. I think you will find it on page 243 of the testimon taken in that suit.

Q. What suit was that?—A. Commonwealth of Pennsylvania agains the companies comprising the anthracite coal companies.

Q. Have you a copy?—A. I can give you a copy of the testimony.

Q. If you will send one to Mr. Tillman we will be obliged to you, an just mark the places.—A. That testimony brought out all the minute of the anthracite coal companies which had flourished for the years 18 up to April 1, 1887, showing the apportionments and the proceeding of these combinations.

The CHAIRMAN. To limit the output?

The WITNESS. To limit the output and to attempt to keep up price

Q. Of course by limiting the output that would necessarily work u prices?—A. They had a meeting at Mr. Pierpont Morgan's house. Eig gentlemen were there, and they ordered an advance of 25 cents per to in the price of coal; but because of the financial necessities of the Reading Railroad Company, which was then in the hands of the receiver they could not keep up the market, and it was not done until the famous Gowen-Morgan compromise of September 17, 1886, was made, whe the Morgan and Corbin syndicates came together and provided the money for the relief of the Reading. Then the Reading was removed from the market as a disturbing factor, and immediately after that event had occurred there was a meeting in New York of coal managers and they ordered an immediate advance in coal prices. Within two weeks after that order was issued the governor of Pennsylvania, upon seeing the tendency of the combination to advance the prices, instructed the attorney-general to begin proceedings in the court to break that conspiracy.

Mr. ANDERSON. How did this syndicate, of which Mr. Corbin is a representative, come into possession of this railroad?

A. It was through an arrangement which was consummated by that compromise of September 17, all of which appears in the testimony.

The CHAIRMAN. What was the result of that lawsuit?

The WITNESS. The testimony was taken and argument occurred before the judges of Dauphin County court, which court has special jurisdiction in such cases. The case arose upon application for an injunction to restrain the members of the combination. The decision was that the court could not enjoin; that the remedy must be obtained by suit in equity, and the court could not stop the companies in that way.

Q. So it was admitted and conceded that the limitation of output did exist?—A. The minutes of the combination show that there was to be a fine of 50 cents per ton imposed upon the company which exceeded the allotment. That was previous to the passage of the interstate-commerce law. That combination ended April 1, 1887.

By Mr. ANDERSON:

Q. Now, in connection with that, can you give us an outline of the relation which that syndicate holds to the coal-carrying from the whole anthracite region, the Schuylkill, the Lehigh, and the Wyoming regions, as briefly as you can?—A. There is a community of interest to-day between the Reading Railroad and the Jersey Central. The Reading Railroad is controlled by a board of reorganization trustees who vote the stock and who will continue to vote the stock for five years, so that the stockholders have no say during that time.

Q. Is that in Mr. Corbin's hands?—A. He is one of the reorganization trustees, and has been elected by them president of the company. Mr. Corbin is also in control of the Jersey Central Railroad Company. Recently, in the annual report of the Lehigh Valley Railroad Company, it was stated that a number of the large stockholders of the Lehigh Valley Company had become interested in the Jersey Central, which is a competitor with the Lehigh Valley for a considerable traffic. Thus the Lehigh Valley and the Jersey Central have a community of interest, and the Jersey Central and the Reading being under the same control, there is a representation of nearly one-half of the entire anthracite output bound together by the three companies I have named.

Q. There is one question I would like to ask, and that is, what is the relation between the supply of bituminous coal and anthracite coal upon the industries?—A. The two kinds of coal are in active competition; the anthracite coal being in competition with the bituminous coal on the lakes, and on the Eastern sea-board in competition with Nova Scotia coal. In the anthracite coal regions, coke, which is a product of soft coal, has displaced some anthracite. Prior to 1880 there was very little coke used in the reduction of iron in anthracite furnaces. In the year 1887, out of 2,000,000 tons of anthracite pig-iron produced, only four hundred and odd thousand had been produced from anthracite coal alone, and 1,600,000 tons had been produced from a mixture of anthra coal and coke, showing that the bituminous has been displacing the thracite, and is in competition with it. In 1884, the Clearfield and C berland soft coals displaced about 600,000 tons of anthracite coal, forced the anthracite coal companies to lower their prices. The c petition of soft coal has always been one factor in protecting the m facturers and consumers of the East from the exactions of the ant cite coal combination, because a manufacturer merely calculates h much steam can be obtained from an investment of one dollar in c When anthracite coal was raised in price, the manufacturers found t they could save money by buying bituminous coal, and in 1884 anth cite coal was displaced to the extent of 600,000 tons. The Pacific m changed their grates, and the displacement by that one conc amounted to 70,000 tons.

Mr. CHIPMAN. Have you any idea what proportion of this anth cite coal enters into domestic uses?

A. In Philadelphia, the last figures that I obtained were these: tl 1,200,000 tons of anthracite were used here in manufacturing, a 1,100,000 in domestic consumption.

Q. Have you any idea as to the whole country?—A. No; that cou be ascertained if the relative sizes of the various coals were obtain from the railroad companies.

Mr. PARKER. The price of coal outside the capes is fixed by the co petition at the points of consumption outside, is it not?

A. Yes, sir.

Q. Well, the prices in Philadelphia are based largely upon the lo competition of the different companies.—A. That is true; the city Philadelphia has six routes from the anthracite coal-fields.

Q. Why does not this competition between the six roads bring c down to the lowest possible price at which it can be operated?—A. F this reason, that while there are six routes from the coal regions to Phi delphia, those routes are in the control of two companies—the Pe sylvania and Reading. The Reading controls, first, the route by main line from Pottsville to Philadelphia; second, by the Schuyl Canal, which it leased in 1870, and third, by the lease of the North Pe and Bound Brook road which it acquired about 1878 or 1879; the Pe sylvania controls three roads, one by the way of Shamokin and H risburg, the second by the Belvidere division, and the third by t Schuylkill Valley line, in competition with the Reading.

Q. So, in substance, we have but two competitors.—A. Yes; and th have joined hands to keep up prices. Now, the local consumption re-i burses these companies for whatever losses they may incur by comp tion outside.

By Mr. STONE:

Q. The rate per ton per mile on the toll from Schuylkill Hav to Philadelphia is about 2 cents?—A. Prior to the passage of the terstate-commerce law, it was at the rate, for city trade, of 2 cents ton per mile. Since the interstate-commerce law went into effect, inste of making the rate $1.80 from the shipping point, Schuylkill Haven, Philadelphia, a distance of 90 miles, they have made the rates from t mines to Philadelphia $1.80, an average distance of 110 miles. P viously there had been a rate from Schuylkill Haven to Philadelp plus what we call the lateral tolls from the mines to the shipping poi which averaged about 30 cents per ton, and made a total transportat rate of $2.10. The rate then was 2 cents per ton per mile. Since t passage of the interstate-commerce law, as I said, it has been reduced, for the city trade, to $1.80 from the mines to the city of Philadelphia.

Q. This is equal to about 2 cents per ton per mile?—A. No, it is less, for the reason that the mines are some distance beyond the shipping point.

Q. I understood from the testimony that the tolls were $1.80 a ton from Schuylkill Haven to Philadelphia?—A. They had been; they are now $1.80 from the mines to Philadelphia; that is, for city trade, and if for outside shipment the rate of transportation is $1.55, and for seaboard $1.50.

Q. Now it is $1.80 a ton in tolls for transportation from the mines to Philadelphia; if shipped to Port Richmond, and loaded there to go to Salem, N. J., how much is it per mile?—A. One dollar and fifty cents.

Q. Per ton?—A. That is, on the track, but there is an additional cost for loading, and, if it is to come to the city, for lightering.

Q. To Elizabethport from the mines, how much is it per ton?—A. I have not been able to obtain the railroad rate from the mines to Elizabethport. All I have is a circular which Mr. Thomas N. Richards issued showing that the Coal and Iron Company would sell coal here, white-ash stove, at Port Richmond, at $4. I can get that circular and see how much the same coal sold at Elizabethport.

Q. It is 25 cents advance per ton. We examined that circular yesterday. Does that 25 cents represent substantially the cost of transportation from Philadelphia to Elizabethport?—A. I do not think it is fixed on any such basis. It is fixed on the competition in the New York markets. I mean that the price at Elizabethport is fixed without reference to the additional cost of transportatjon.

Q. Well, then, the cost of transportation from the mines to Elizabethport can not be very much more than it is from the mines to Philadelphia if the coal is sold at Elizabethport for 25 cents a ton more than it is sold here?—A. Of course not.

Q. Then there is a discrimination; the tonnage for the short haul being much larger than for the long haul relatively?—A. On the mileage basis. Yes, sir; but the interstate-commerce law did not contemplate a mileage basis. If the charge from Schuylkill Haven to Philadelphia should be $1, and from Schuylkill Haven through Philadelphia to Elizabethport should be $1.01, it would still be within section 4 of the interstate-commerce law providing for the short haul.

Q. I understand. I am not attempting to show in that particular regard that it is in violation of the interstate-commerce law; but I am getting at the fact that there is a greater charge relatively for the short haul than for the long haul.—A. Yes, on the mileage basis, and there is a greater charge per mile in the aggregate for the city trade than for the outside trade, but that is entirely State traffic.

Mr. CHIPMAN. You estimated the rate per ton per mile from the mines to Port Richmond or the city of Philadelphia at one time at 2 cents per ton per mile. Can you give us the rate per ton per mile for bituminous coal over the same line?

A. I do not know the rate now, but at one time a statement was made by one of the receivers of the company, that the Reading Railroad Company was carrying anthracite at 2 cents per ton per mile, and carrying bituminous coal at 2 mills per ton per mile. In other words, it was hauling other coal to displace the anthracite in which the company had all its investment. That was because it was in competition with other soft coal carriers.

Q. So if they made a profit on carrying soft coal at two mills——A. I was stated they did not make a profit on soft coal.

By Mr. PARKER:

Q. They carried it to compete and not to make a profit?—A. Ye sir; they carried it upon this hypothesis: They require the local non competitive traffic to pay not merely the cost of the movement, but t make a contribution to the interest and general expenses of the com pany. The charge for competitive traffic is based upon a computatio of the cost of moving the wheels, and anything they get in excess the cost they figure as so much which they would not otherwise hav obtained. They make that rate without any reference to local non competitive traffic.

Q. If it costs $1 more per ton to move the coal from the mines t Elizabethport, would that make any difference in the selling price coal in New York?—A. I should think not; the competition woul measurably regulate the price there.

Q. Is it controlled entirely by the competition and distribution some points?—A. Yes, sir.

Q. At these points the cost of transportation has very little to d with the price?—A. Yes, sir; that is the complaint of the people Philadelphia.

By Mr. ANDERSON:

Q. Is it not true in that connection that the Reading Coal and Iro Company is competing hundreds of miles away, at Boston and all alon the Atlantic coast, with anthracite coal mines that are nearer, geo graphically, than the Reading mines?—A. It is a very difficult ques tion to answer.

Q. I understood them to state here in evidence that they had agen in Boston, and they sent their coal to Boston.—A. They send their co liers all along the New England coasts.

Mr. ANDERSON. The point I was getting at was simply this, ther must be a limit by distance where one mine can profitably compete wit another which is better geographically situated.

Mr. CHIPMAN. How much is the difference between the mines—the di tance?

A. The Reading Railroad Company has an advantage in that i mines are nearest to tide-water.

Mr. PARKER. There is no anthracite coal produced outside of Pen sylvania?

A. No, sir.

Mr. CHIPMAN. How much of the country in square miles would th anthracite region cover?

A. The anthracite coal area is 472 square miles.

Q. What is the greatest length of it?—A. I should have to look maps which can be obtained from the Geological Survey.

Q. I thought perhaps you might have it; I will not press it.

By Mr. STONE:

Q I understood you to say that bituminous coal competes with a thracite coal for consumption, and that the price of anthracite coal affected by reason of that competition?—A. Yes, sir; that has bee the only protection which the people of this section have had agains higher prices of anthracite coal, as the anthracite coal men could no bring the bituminous interest into the same sort of combination.

Q. What would be the effect, so far as the consumer is concerned, repeal of the tariff on bituminous coal?—A. It would protect the suming class in the East from the anthracite coal combination, and ald reduce the price of anthracite coal to the consumer.

Q. It would lower the prices?—A. It would lower the cost to them.

Q. And would probably break up this anthracite combination?—A. would take away a greater part of its power.

Q. Do you understand there is an anthracite combination among the ducers?—A. At the present time?

Q. Yes, sir.—A. I have no knowledge of any combination or united ion or association of the coal companies as such. I can only tell of eeting of the coal sales agents of the various companies in New k. But if I were the manager of a railroad or coal company, I would want a better sort of combination than that, so far as the regula- of prices was concerned.

. If the repeal of the coal tax would cheapen the production of both ses of coal to the consumer, as you think, what effect would it have the wages of these miners in the anthracite region?—A. In face of fact that anthracite coal is on the free list, while bituminous is pro- al to the extent of 75 cents a ton, the workers in the protected dis- of Clearfield are paid less by their employers than the workers in unprotected anthracite district, poorly paid as they are. The aver- pay of the anthracite region is 30 per cent. in excess of the average of the Clearfield bituminous region.

. If the tariff tax on bituminous coal was decreased, would it affect wages of the laborers?—A. No, sir: because the railroad companies, charging what the traffic will bear, appropriate to themselves all or rly all of the difference between the actual cost of the production of article and the selling price of that article in the market, so that effect of the reduction of the tax on coal would have the tendency ely to reduce the rates of the transportation companies, who now ropriate whatever advantages are produced by the tariff.

. The companies appropriate that advantage?—A. Yes, sir.

. Is it not a matter of fact that there is a great deal of want and alor among the miners in all these regions?—A. In the Clearfield on more so than in the anthracite region.

. But there is a vast deal in the anthracite?—A. A vast deal of it he anthracite region. You can not have any conception of the ex- of the poverty and degradation of the people of the coal regions of nsylvania until you go there and see the conditions under which y exist.

Ir. ANDERSON. Is there a very alarming extent of squalor and misery ong the owners of these railroads and coal companies?—A. I have information to that effect. Permit me, while speaking of wages, to er to the following compilation which I have made, showing that protected coal miners of Pennsylvania are paid less than the coal ners of England and Germany. I submit an article which I have epared on the subject.

THE PAUPER LABOR OF PENNSYLVANIA.

An inquiry was recently made, under the auspices of the United States Government, to the pay of coal-miners and iron-workers in Europe, and the facts educed have en embodied in Consular Report No. 61. An opportunity is now afforded to ac- urately compare the wages of miners of coal in Pennsylvania with the wages of coal- iners in England and Germany, the Pennsylvania statistics having been furnished employers themselves to the State bureau of industrial statistics.

Any comparison of the rates of wages that does not take into account the relative oductiveness of the labor is worthless. If a workman in one country should do twice as much work for $1 as a workman in another country, though he should paid twice as much for his work, yet his wage would be no greater.

It will startle the people of Pennsylvania, accustomed as they have been to reg their labor as protected against the "pauper labor" of Europe, to find that the mi in our own mines gets less for mining a ton of coal than does his "pauper" c petitor, whom he is protected against by a bounty of 75 cents per ton. Here are facts:

	Labor, cost per gross ton.	Year output emplo
	Cents.	*Tons*
Bituminous miners of Pennsylvania (average)	75	
Great Britain	79	
Prussia (Saarbruck collieries)	95	
Dortmund collieries	81	

Selecting those counties of Pennsylvania in which the greater number of men employed, and in which the greater quantity of coal is produced, it is found that wages of labor per ton of coal are from 25 to 40 per cent. below the wages paid to European laborer, to wit:

Cost of labor per ton of coal.

	Ce
Cambria	
Clearfield	
Fayette	
Tioga	
Westmoreland	

And on account of the possession of superior intelligence and greater energy, and a closer application to their work, as well as because of natural advantages, the bi minous coal-miners of Pennsylvania are enabled to produce a greater number of t of coal per head than are produced by the workingmen of any European nationali The greater poductiveness of the labor of our soft-coal miners is shown by the lowing contrast:

Gross tons mined per employé.

Locality.	Tons.	Locality.	T
Pennsylvania.		North and East Lancashire	
		West Lancashire	
Cambria County	511	Yorkshire	
Clearfield County	583	Derbyshire	
Fayette County	549	South Staffordshire	
Tioga County	373	Monmouth	
Westmoreland County	506	South Wales	
Average of five counties	518	Average	
Great Britain.		*Prussia.*	
Cumberland, Northumberland, and North Durham	329	Product of entire Kingdom, 51,867,646 gross tons, employing on the average 189,248 persons	
South Durham	374		

It will be evident from a study of these figures that the soft-coal miners of Pe sylvania do not enjoy any advantage from the tariff on coal. On the contrary, tl are the victims of the powerful railroad corporations, which squeeze the miner a rob the consumer on the principle of "charging what the traffic will bear." Inst of basing charges upon the cost of service, the railroad companies first ascertain actual cost of placing a ton of coal on the tipple at the mouth of a mine; then t obtain the quotation for coal in the market, and appropriate the difference as th charge for transportation. In pursuance of this policy the Pennsylvania Railr officials have placed the Clearfield coal region under the control of one firm; a similar tactics have been resorted to in the Westmoreland district, with results t are oppressive to the miner.

In view of the recent demand of the miners for better wages the facts here presented ought to sink deep into the minds of unprejudiced men. The cry about "high tariff wages" and "pauper labor" is a delusion and a snare. American labor is paid less for mining a ton of coal or for making a yard of cloth than even the cheap labor of Germany, miserably paid as the Germans are. These truths should be published and studied throughout the length and breadth of the land.

TESTIMONY OF W. A. CHURCH.

W. A. CHURCH, affirmed:

By Mr. PARKER:

Q. What is your position in relation to the Philadelphia and Reading Coal and Iron Company?—A. I am treasurer.

Q. And have been so how long?—A. Since 1884. I was then treasurer of the receivers.

Q. The strike of the miners of the coal company commenced about the 1st of January, did it?—A. Yes, sir.

Q. How many men went out in that, boys and all?—A. I suppose 18,000 men.

Q. And they still remain out?—A. As far as I know.

Q. What was paid by this coal company to the men employed in the mining business during the month of December, 1887?—A. About $732,000.

Q. Can you give the payment for the month previous?—A. No; I have not that.

Q. Would there be a material difference?—A. No; I think it would be very much the same.

Q. What was the amount paid for wages to the same class of people for the month of January, 1888?—A. About $154,000.

Q. What amount do you estimate, or what proportional amount do you estimate, will be due them for the first half of February, 1888?—A. I suppose about half of those figures.

Q. Then the proportional falling off from the full-handed condition in December would be about the same up to this date as that in January?—A. I think so.

Q. Have you the figures to give the daily or weekly earnings of the men?—A. I have not; they are paid semi-monthly.

Q. Do the figures you have given show the losses to the wage-earners for the periods given by your statement?—A. Yes, sir.

Q. The same figures show also the decrease of the amount paid out by the company for this expenditure?—A. Yes.

TESTIMONY OF HENRY I. BENNETT.

HENRY I. BENNETT, affirmed.

By Mr. CHIPMAN:

Q. What is your business?—A. I am assistant wreck-master on the Reading Railroad, or was previous to the troubles.

Q. Where stationed?—A. Port Richmond.

Q. Have you a copy of the agreement alluded to yesterday?—A. Yes, sir.

Q. Where is it? [Witness hands paper.] This is a copy?—A. Yes, sir.

Q. Have you the original?—A. This is the original.

Q. Are you one of the persons who signed this?—A. Yes, sir.

Q. You were present when it was made?—A. Yes, sir.

Q. Were you present during the negotiations which led to this Yes, sir.

Q. I see that this is dated Philadelphia, December 28, 1886. I the date upon which it was signed?—A. Yes, sir.

Q. Did you know of a circular issued by Mr. Corbin on the 2 think it was the 24th, notifying the men that they could go to wo the 27th?—A. I seen that circular posted up.

Q. Was this before or after the 27th?—A. I think on a Saturda the 24th.

Q. This was made?—A. That agreement?

Q. Yes.—A. No, sir; that is 1886.

Q. That is my mistake; I beg your pardon. You say you were ent at the time that was made; it is signed by yourself and other committee of employés?—A. Yes, sir.

Q. By whom were you appointed such committee, of what employ A. At a meeting of employés at Port Richmond.

Q. What employés?—A. The railroad employés.

Q. You were appointed a committee by them, for what purpo A., To effect the settlement of those difficulties mentioned in that

Q. What were the difficulties that you called a meeting of th ployés for. Mention them briefly.—A. First was asking for th charge of parties, Mr. Bowers and Mr. Evans, at Port Richmond.

Q. Who were they?—A. Mr. Bowers was dispatcher and Mr. was foreman of the coal wharves.

Q. Why did you want those two men discharged?—A. For the t nical abuse of the men at Port Richmond.

Q. Give us an illustration of what the complaints were?—A complaints were, Mr. Bowers, because when anything happene man and he asked for a hearing, such as an accident, he was disch without any hearing, and he discriminated against certain parties he wanted to vent his anger upon some one.

Q. In what way, and who were the parties?—A. I could not me the names of parties.

Q. Can you name any of the parties?—A. Only one I can thi only Cominski.

Q. What did they do to him?—A. He was engineer on the ro Port Richmond and run his engine off the Cedar street bridge, a was discharged without a hearing.

Q. In this city?—A. At Port Richmond.

Q. Do you know that?—A. Yes, sir.

Q. Why?—A. We could never find the reason. The man was stated by Mr. Welsh.

Q. What became of Mr. Bowers?—A. He is in the employ of th pany. I believe he is the dispatcher at Ninth and Green streets.

Q. Did he remain in the position of which you complained?—A sir.

Q. How soon after this agreement was he removed?—A. He w moved about two weeks after that agreement was drawn up.

Q. Who was the other man?—A. Charles F. Evans.

Q. What was the grievance against him?—A. It was the sa against Mr. Bowers, for discharging men without a hearing.

Q. What became of him?—A. I understand he was given a po at some small station.

Q. Was he removed from that position?—A. Yes, sir.

Q. These two men then were removed from the places of which you complain by the railroad company?—A. Yes, sir.

Q. How soon was Evans removed?—A. About the same time as Mr. Bowers.

Q. About two weeks after this agreement was signed?—A. Yes, sir.

Q. Well, the company in that regard fulfilled its agreement?—A. Yes, sir.

Q. I see that the second clause is, "That no man be discharged for complicity in this movement;" that is, men who got up this movement. Was any man discharged for that?—A. No, sir.

Q. The company fulfilled the agreement in that respect?—A. Yes, sir.

Q. You have no fault to find in that respect?—A. You must understand there was a strike when that agreement was drawn up.

Q. In this movement you comprehended the entire strike?—A. Yes, sir.

Q. Were any men discharged for being on that strike?—A. Not to my knowledge.

Q. Many went out at that time?—A. I should judge there were 3,000 men.

Q. And so far as you know none were discharged for complicity in the movement?—A. So far as I know.

Q. You have heard nothing to that effect?—A. No, sir.

Q. The third clause is, "That no less than ten wharf engines will be employed for the balance of this year, after which time such engines as Mr. Sweigard may think necessary only will be run." Now for the year ending December 28, 1887, were less than ten wharf engines employed?—A. No, sir. I believe once there were eight at one time.

Q. How long a time was that?—A. About a month.

Q. Was complaint made under this agreement about that?—A. Yes, sir.

Q. What was the result of that complaint?—A. That ten engines were put on.

Q. Was there any strike or any difficulty growing out of the nonperformance of that clause?—A. That clause was inserted after the strike had occurred.

Q. All these clauses were inserted after, but you say at one time there were eight engines running instead of ten; did that result in a strike or discharge or what?—A. It resulted in a strike.

Q. A strike, where and by whom?—A. At Port Richmond, by the wharf engineers. Fourteen engines at the time, comprising 28 men.

Q. They struck?—A. Yes, sir.

Q. Did any other people strike with them?—A. The whole of Port Richmond.

Q. How many?—A. About 1,200.

Q. How long did that strike last?—A. From the 24th to the 28th.

Q. Did it result in the restoration of the ten engines?—A. Yes, sir.

Q. That was all there was in that?—A. Yes, sir.

Q. Section 5, "Crews cleaning engines shall be paid shop time as heretofore." What does that mean?—A. That engineers of wharf engines within six months of the time of that agreement were paid for cleaning their engines on Sunday. Then the company stopped that time off again. That was what that agreement was drawn up for.

Q. They should receive the time employed for cleaning the engines. Did they clean them? Do they generally have in those yards what we call hostlers?—A. No, sir.

Q. Was that lived up to?—A. Yes, sir.

Q. Sixth, "That twelve hours shall constitute a day's work, say from 6 a. m. to 6 p. m., or from 7 a. m. to 7 p. m., as the case may be, and overtime to be paid pro rata." Was that lived up to?—A. Yes, sir. That, you see, was in relation to the rest of these engines. Heretofore they might come for work at 6 this morning and have to work overtime and get no more for it than just their pay. Since that time all overtime is paid after 6 p. m.

Q. That has been lived up to by the company?—A. Lived up to by the company.

Q. Did you represent the entire body of railroad employés at Port Richmond?—A. The entire body of the railroad employés were constituted among that committee. I represented one portion.

Q. Seventh, "That each man be promoted in his turn if found competent." What does that mean?—A. That was on account of the way things were carried on in Mr. Bower's reign.

Q. Promotion of what department?—A. In the railway department or any other department; every department.

Q. Track hands and everything of that kind?—A. Yes, sir.

Q. Was that lived up to?—A. So far as I know; yes, sir.

Q. There has been no complaint on your part of the railroad company?—A. No, sir.

Q. Eighth, "That employés of the coal wharves stop work as follows: At 6 p. m. from October 1 to May 1, and 7 p. m. from May 1 until October 1, if found necessary." Was that lived up to?—A. Yes, sir.

Q. What was that clause "And 7 p. m. from May 1 until October 1, if found necessary?"—A. That was on account of the daylight. We worked one hour later during the summer season than during the winter.

Q. "If found necessary?"—A. I do not think that is in the original agreement, though. [Examines the original agreement.] Yes; it is the same here.

Q. Was that lived up to?—A. Yes, sir.

Q. Ninth, "That all men drawing fires shall be paid overtime after 12 hours' service." By drawing fires, what does that mean?—A. That is the hostler, who draws the fire at Port Richmond and other places.

Q. That includes the regular hostlers on the road, or all drawing fires, or does it include the drawing of fires from engines alone?—A. From the engines alone.

Q. Was that lived up to?—A. Yes, sir.

Q. Tenth, "All brakemen of shifting engines in Philadelphia working over one year to receive $1.80, and over two years, $1.90 per day of twelve hours, this being the old established rate." How about that?—A. That was lived up to until last August, when there was another rate made.

Q. Before the year was up?—A. Before the year was up there was another rate made.

Q. Now, you say another rate was made; was that a higher or lower rate?—A. A higher rate.

Q. Who made that a higher rate?—A. Mr. Sweigard.

Q. Did he do it voluntarily or in consequence of a demand on your part?—A. In consequence of a demand on our part.

Q. You had made an agreement for a year; why did you make a demand for a higher rate?—A. That agreement is not made for one year, though, sir.

Q. Parts of it certainly are?—A. Perhaps you are right.

u made a demand for a higher rate; was that demand acceded
Yes, sir.
what rate did you fix that?—A. Originally they paid for the
r, braking under that agreement, $1.60; for the second year of
$1.80, and for the third year of braking $1.90.
ell, the first year the brakeman is to receive $1.80, and over
'8 $1.90 per day. Two or three years would come in under the
. How much was the raise in the first year?—A. They kept the
r rate the same, $1.60.
is not $1.60; it is $1.80. Do they pay $1.80?—A. Yes, sir.
d over two years do they pay $1.90? How much did you raise
?—A. We raised it in this way: Conductors, who were not men-
i that agreement, had only previous to that been getting $2.30
but the company, under the agreement with the conductors, re-
ieir wages—rather on the promotion of conductors they were to
2.15, and then $2.30 after that year; but firemen and conduct-
ious to that agreement had the same rate, which was $1.84 per
welve hours; but the brakemen had $1.58 previous to that
nt being drawn up. Then in this consultation of the company
gust they raised the second year brakemen to $1.80; from that
and they promised to give conductors from $2.15 to $2.30.
is clause is in regard to firemen?—A. That agreement was un-
ime, until August.
en you made a new agreement?—A. Embracing the firemen;
as mentioned in there, but about the same time they were re-

as there any change made in the wages of the brakemen of the
engines?—A. Yes, sir.
hat was it?—A. From $1.80 to $1.90.
id from $1.90 to what?—A. From $1.90, when they were pro-
then they received $2.15 after the first year and $2.30 the year

at was the change made in this agreement?—A. Yes, sir.
ter they became conductors?—A. Yes, sir.
the change was not made in regard to brakemen; that is,
uld come in time to be conductors?—A. Yes, sir.
at would not change the agreement upon any subject appar-
Eleventh, "No partiality to be shown among employés, as has
case under the old management." What about that?—A. That
d up to, as far as I know.
elfth, "That a full day be allowed ropers for work done on Sun-
Who were ropers?—A. Shifting engines at Port Richmond.
the name they went by, "ropers."
hat do they do?—A. They push the coal in after coming down
ain line and distribute it among the coal wharves.
ey were railroad employés?—A. Yes, sir.
hat a full day be allowed ropers for work done on Sunday, for
made over and above four hours. Any time made by ropers
work than moving coal-cars shall be paid for actual time made."
out that agreement?—A. That was lived up to, sir.
irteenth. "That every man receive a fair trial and investigation
accident that may have occurred through his carelessness?"—
ieve that was lived up to, as far as I know.
w, Mr. Lee testified before us in Washington, a week ago I
was, that under this agreement no man should be removed at

all unless he had a fair trial and hearing, and this is the clause up which that claim is based?—A. I should judge so.

Q. Listen to the clause: "That every man receive a fair trial and vestigation for any accident that may have occurred through his ca lessness?"—A. Yes, sir.

Q. Do you hold that clause embraced under the term "acciden meant refusing to obey orders?—A. No, sir; I do not.

Q. It is simply in case of an accident, as running off the track, a co lision, or something of that kind?—A. Yes, sir; that is what I think.

Q. Now will you tell whether they have lived up to that?—A. So f as I know, they have.

Q. Fourteenth, "That a man's suspension dates from the time of h being laid off." What does that mean?—A. That was on account of a accident. If a man through carelessness met with an accident and w suspended, his suspension should date from the time of his taking o

Q. That his pay should not be stopped for any time previous?— Yes, sir.

Q. Has that been lived up to?—A. Yes, sir.

Q. Fifteenth, "That no dispatcher shall stop a man from workin elsewhere, it being understood that a discharged employé can only b re-instated upon a letter from the general superintendent." Now, do that mean elsewhere on the same road or in another company?— Elsewhere on the same road or another company.

Q. That is, he should not be blacklisted?—A. Yes; that is the mea ing of it.

Q. What does that mean?—A. That if a man is discharged for an accident of course nobody could place him back except Mr. Sweigar general superintendent of the road.

Q. That did not limit a man upon some other road, it being unde stood that he can only be re-instated by letter of the general superinten ent, but that re-instatement meant, of course, re-instated in the Rea ing employment; and elsewhere in regard to other roads does not mea that you shall have a letter or anything from the Reading people to g employment elsewhere. He can go and get it, if he can?—A. Yes, si

Q. Was that violated?—A. Not that I am aware of, sir.

Q. Sixteenth, "That the company will at all times receive a co mittee of its own employés to adjust any differences, and in the eve of such committee not being able to come to an agreement, the compa will not object to seeing a committee of arbitration composed of Knigh of Labor." Now, sir, that clause provides that if the committee as e ployés of the company fail to adjust the differences that there sh be no objection on the part of the company to receive a committee arbitration composed of Knights of Labor. In regard to that wh have you to say; has that been lived up to?—A. No, sir; that has n been lived up to.

Q. I understand complaint is made that it was not lived up to?— It is not lived up to, sir.

Q. In what instance was it not lived up to and when?—A. On the 2 of last December there was a difficulty arising in Port Richmond fro handling flour in Mr. Taylor's sheds. There was one crew discharg at the time, about 2 o'clock in the afternoon. Mr. Hede, an employé the company, master-workman of the local assembly of the Knights Labor there, and also one of the executive committee, called on me work and told me about the difficulty, and asked if I would not go wi him as a committee to try to patch up the affair. We went to M Flicker, the dispatcher at Richmond. He said he had no jurisdicti in the matter; it was taken out of his hands. We asked him if that was the division superintendent. He said yes. We asked him to telegraph to him if he would not see a committee and stay the order for the present. That telegram was sent according to our dictation. In less than five minutes after a reply came back, "Obey orders given you, and discharge five crews at the freight wharf." Not one crew, but five. We then consulted, Mr. Hede and myself, and under the agreement made by Mr. Sweigard and myself, that no trouble should arise before we had seen the officials at the local points we should come to him. we came to Fourth street to the general offices of the company, Mr. Hede, myself, and Mr. Sharkey, whom we picked up on the way. When we arrived at the Fourth street office we found Mr. Sweigard had gone to Port Richmond.

Q. What day was that?—A. The 22d day of December. Later I received a telegram to come back to Port Richmond, that Mr. Sweigard was there on the wharf; but we staid where we were waiting for him to come back, say that was about 5 in the afternoon. Mr. Sweigard arrived at the Fourth street office about ten minutes after 6. After fifteen or twenty minutes' time he called us into a room and asked us what we wanted. We told him we wanted to consult with him over the discharge of the five crews, as we had heard from a telegram received in Port Richmond that five crews were discharged. He refused to see us point blank. He told us the time had come when he was ready to make a stand for a fight, and told us our organization might go to hell along with the railroad company. He then retracted part of his words.

Q. About the railroad or the organization?—A. About the railroad company. Said he did not want to see the railroad go there, but the organization might go there, and might stop every wheel between Philadelphia and Wilkes Barre; that he was ready for the battle, and that the time had come. He was in a great temper at the time and I asked him to compose himself and let common sense settle it. He said no, he would not receive a committee, and that he held us responsible for the whole trouble. I placed him on record by asking him if he would arbitrate the matter. He distinctly said no. With that understanding we left the office and went to the Western Union Telegraph office and sent a telegram to Mr. Corbin, "The general superintendent refuses to see a committee. Indications of stopping. Please advise by wire." That was to Mr. Corbin, 120 Broadway, New York. We never got an answer to that telegram. We then went to Port Richmond, and after consultation with our men we decided that we would not cause any trouble, that we would pay the salary of those five crews until such time that we might meet some other officials and patch the matter up.

Q. That was when?—A. December 22.

Q. On that same day?—A. On that same day. The following day everybody was working except the freight wharves; there was no work there and the five engines were housed. Everything went along smoothly until about 3 o'clock in the afternoon of the 23d, when there were 250 or 275 policemen brought in on the Reading property and distributed from the round-house to the freight shed. They brought five men in a crew to man an engine, 281, and proceeded to the freight wharf to put in the flour.

Q. Taylor's flour?—A. Yes, sir; Taylor's flour. Just about that particular time there was a telegram received from Elizabethport that the company had discharged 132 men at 12 o'clock that day for refusing to load one of Coxe Bros.' boats. As soon as the employés at Port Richmond saw the police distributed around there they rose in mass an quit work without anybody ordering a strike; they stopped immediatel That was about 4 o'clock in the afternoon.

Q. Was that the afternoon of that day ?—A. That is, the 23d; ye sir.

Q. What day of the week ?—A. On Friday.

Q. Being the afternoon of that day ?—A. Yes, sir; that is, that mov ment at Port Richmond.

Q. Now you, Hede, and Sharkey had this conversation in which yo say that the company and the strikers were impartially damned by M Sweigard. What were you a committee of ?—A. We were a committ of employés.

Q. Who made you a committee ?—A. The local assembly to which w belong.

Q. The local assembly of Knights of Labor ?—A. Well, we were committee of employés.

Q. How were you a committee of employés ?—A. Because we we all three employed in the company's service at that time.

Q. Had you authority from the employés to act as a committee to a just the difficulties ?—A. Yes, sir.

Q. How did you get that authority ?—A. From a meeting of the e ployés.

Q. When was that meeting held, and where ?—A. On the Tuesda previous, and at Port Richmond.

Q. How many employés were there ?—A. Five or six hundred e ployés.

Q. All Port Richmond employés ?—A. Yes, sir.

Q. Was that a meeting of the Knights of Labor assembly or a mee ing of the employés ?—A. It was a meeting of the employés and Knigh of Labor, both.

Q. Was it not purely a meeting of the Knights of Labor ?—A. It w purely a meeting of the Knights of Labor; yes, sir. You can call it tha but all of those composing the Knights of Labor were employés of t Reading Railroad Company at Port Richmond.

Q. Did Mr. Sweigard ask you for your authority ?—A. No, sir.

Q. Did he inquire as to your being a committee of employés ?— No, sir.

Q. Did he in any way, when he gave you that answer, inquire as your authority ?—A. No, sir.

Q. You say you then asked him if he would see a committee of t Knights of Labor ?—A. No, sir; I did not ask him any such questio

Q. I understood you asked if he would see a committee of arbitrati as provided by this agreement ?—A. No, sir, I did not.

Q. Was there anything said about a committee ?—A. No. sir.

Q. Was any demand made afterwards to send a committee of ar tration as provided in this sixteenth section of the agreement ?— Yes, sir. There was a demand made to send a committee.

Q. How soon after this ?—A. On Monday evening, the 26th.

Q. Now then you have told us what happened up to Friday nig What happened the next day, Saturday, which was the 24th ?—A. T next day, Saturday, all the men in Philadelphia went out on a stri

Q. What did they go out for ?—A. They went out on a strike in sy pathy with the men at Port Richmond and the men at Elizabeth Po

Q. What did the men at Port Richmond go out for ?—A. They we out on account of these police, on account of these police being p there.

Q. Did they not go out on account of the refusal to receive and see that committee ?—A. No, sir.

Q. They did not go out for that reason, they went out because the police were brought there ?—A. Yes, sir.

Q. You are certain about that ?—A. I am certain.

Q. And for that reason alone ?—A. For that reason alone.

Q. They went out when.—A. On the 23d, about 4 in the afternoon.

Q. On the 24th you say others went out ?—A. Yes, sir; and the line-men.

Q. There were no line-men there ?—A. Yes, sir.

Q. Say, if you know, the reason why they went out ?—A. In sympathy with the men at Elizabethport and Port Richmond.

Q. I will ask you to say if in connection with this difficulty at Port Richmond, in which you as one of a committee went to see Mr. Sweigard, if any committee of Knights of Labor went to him afterwards of your knowledge to try and arbitrate it ?—A. Yes, sir.

Q. When did they go ?—A. On Monday evening.

Q. Who were they ?—A. I mean to arbitrate that question alone.

Q. Yes, sir; the Port Richmond difficulty.—A. I think I can name most of them. Lee, Sharkey, John Kelley, Harman, and three others.

Q. That was on the 26th ?—A. Yes, sir.

Q. On the 24th, then, there was a general strike of the railroad employés on account of Port Richmond and Elizabethport difficulties ?—A. Yes, sir.

Q. How general was that strike, who did it comprise ?—A. All over the Reading Railroad from Philadelphia to Shamokin.

Q. Comprising engineers ?—A. Yes, sir.

Q. Brakemen and conductors ?—A. Yes, sir.

Q. The passenger men did not go out ?—A. The freight traffic, the coal traffic, they all went out.

Q. Do the freight engineers on the Reading system belong to the Brotherhood of Engineers ?—A. That I can not say, sir. I do not think there are many.

Q. Do they belong to the Knights of Labor ?—A. Yes, sir; some of them.

Q. Was that all you had to say about the events of Saturday the 24th ?—A. Yes, sir.

Q. Did you know on Saturday that Mr. Corbin had issued a circular in regard to the people returning to work on the 27th ?—A. No, sir; I did not.

Q. What happened on Sunday ?—A. I do not know anything that happened on Sunday, any more than there was a committee sent from Port Richmond to see Director Stokeley.

Q. What is he ?—A. Director of public safety in this city.

Q. What kind of an official is it that is charged with public safety here ?—A. He was formerly mayor of this city.

Q. Is he an officer, whom you call director of public safety, is he a policeman or what is he ? What are his duties ?—A. I can not tell you what are his duties.

Q. He is charged with police affairs ?—A. Yes, sir.

Q. He is police commissioner, what we would call him elsewhere ?—A. Yes, sir.

Q. Does he appoint policemen . . who does appoint them ?—A. I can not answer.

Q. He is now the head of the police force ?—A. Yes, sir.

Q. What did you go to see him for?—A. To ask what was the r son the police were sent to Port Richmond on the 22d. He told t committee that Mr. Keim, Mr. Sweigard, and Mr. McLeod had come him on the morning of the 22d and asked for a large amount of poli force be sent to Port Richmond, as they had positive information th the coal wharves and grain elevator were going to be burned down th day. That committee explained to him that business of Port Richmon and he said had he known the circumstances he would not have sent tl police to Port Richmond.

Q. What more?—A. That is all, I believe.

Q. That was all that was done Sunday?—A. Yes, sir.

Q. Now, then, we come to the 26th. Were you one of the committ that saw Mr. Sweigard on the 26th?—A. No, sir.

Q. Do you know anything about the interview between him and the on the 26th?—A. Only what that committee reported when they cam back.

Q. What do you know of this interview on the 26th of your ow knowledge?—A. I know of my own knowledge that about 3 o'clock the afternoon of the 26th, by orders of the committee, I sent a telegra to Mr. Sweigard asking if he would not see a committee before the ge eral order was issued. That telegram was sent at 3 o'clock. We r ceived no answer up to 4.

Q. Where were you?—A. At Port Richmond.

Q. You were there at Port Richmond and sent this telegram to tl city?—A. Yes, sir; there in the railroad office at Port Richmond. N receiving an answer by 4 o'clock, we sent another telegram trying get a reply. We men staid there until a quarter past 7 in the eveni and no answer was given.

Q. Did you ever receive an answer?—A. No, sir.

Q. Was it signed by you?—A. It was signed by John L. Lee, chairman.

Q. You do not know whether Lee got a reply or not?—A. I kno from his own words.

Q. Does he say he did not get an answer?—A. He says he did n

Q. What on Monday the 26th?—A. On Monday the 26th there wa committee of four gentlemen from Reading came to Richmond. Th wanted to see the company in company with a committee from Ric mond. They made up a committee there and that committee went Ninth and Green.

Q. Who were the men?—A. I can name four of them, and three I c not.

Q. Who were they?—A. John Kelly, Sharkey, Harman, and Le I think there were three other gentlemen, but I do not remember the names.

Q. You knew they went there?—A. I know they went there.

Q. Did you go with them?—A. No, sir. I know they went there, b cause I waited until they came back and made their report.

Q. What did they report and whom did they report?—A. To the r of the committee, at Port Richmond.

Q. The rest of the committee—what, the Knights of Labor?—A. Y sir.

Q. How many of them were there?—A. About thirteen.

Q. You were one of them?—A. Yes, sir; I was one of them.

Q. There were thirteen besides the seven who went to see Mr. Sw gard?—A. Yes, sir. The number of the committee that left was sev but there were other parties in the room at the time.

Q. What was that report?—A. They reported that they found Mr. eigard at Ninth and Green in company with Mr. Benzer, Mr. Wolf, d I think some other gentlemen; I do not remember the others. They id that they come to see if they could not effect a settlement of the fficulty. Mr. Sweigard told him—the first words Mr. Lee said was, he sked him if he received this telegram. He said yes, and said his nswer was no. Then he told the committee that they would not have ome there only they were whipped; that they had no brains among the committee; that Sharkey was a liar and a damned liar and the truth was not in him, and put his fist up in Sharkey's face. Mr. Lee stated that they did not come there for war; they came there in the interest of peace. After quite a while they asked him what his terms were. He said he wanted to discharge the five crews at Port Richmond, Mr. Sharkey and Mr. Hede, and myself. They told him they would agree to accept those terms providing he would take up the matter and arbitrate it on the following day. To that Mr. Sweigard stated, "I will agree. If you start the wheels rolling to-night, I will take up these issues the day after." With that understanding they came back to Port Richmond and so reported to the rest of the committee.

Q. What was done then?—A. The committee, after debating over the matter for about three hours, came to a unanimous decision to declare the strike off.

Q. What did they do?—A. About 1 o'clock they split themselves up into committees, part to wake up the men at Port Richmond and the rest to telegraph on the road and to go down town and notify the public press.

Q. That is, to wake and notify the men at Port Richmond to resume work in the morning?—A. And notify the papers.

Q. And telegraph, notifying the parties over the road. What do you know in that connection?—A. I was one of the committee to send telegrams.

Q. You say that Lee reported that he demanded the discharge of Sharkey, Hede, yourself, and one other?—A. And the five crews at Port Richmond.

Q. And that they had acceded to that, and that the general committee indorsed that action?—A. And that he stated the matter should be arbitrated the following day.

Q. When did you see Mr. Corbin's circular of the 24th first?—A. On Monday morning the 26th.

Q. Where did you see it?—A. At Port Richmond.

Q. Was it circulated generally there?—A. I seen it posted up at Port Richmond.

Q. You have no recollection of having received one?—A. No, sir; I did not.

Q. That comprised the events of the 26th?—A. Yes, sir.

Q. On the 27th what took place?—A. About half past 1 in the morning myself, and Mr. John B. Kelley, and Mr. Lee went to the office at Port Richmond for the purpose of sending telegrams. The first place we telegraphed was to Third and Burks, notifying the dispatcher that the strike was declared off, pending arbitration, all hands to resume work at a. m. The next dispatch was sent to Pottsville, and the third was sent o the company's offices at Reading, asking the company's officials at Reading to notify all points through their system that the strike was declared off by order of the executive committee.

Q. Are these central points in the State?—A. Reading; yes, sir.

Q. Reading, Pottsville—what other places?—A. Shamokin, Mahan City.

Q. Are these places located along the line where the men could g the information quickly?—A. Yes, sir.

Q. They were the most accessible points where you could send th information to?—A. They were, and we sent that telegram to the co pany officials at Reading asking them to notify all points.

Q. Did you send telegrams directly to any men?—A. I sent two rectly.

Q. Who?—A. One to Pottsville to Joseph Cahill and the other to t dispatcher at Third and Burks.

Q. The 27th came and what took place then?—A. Then the comm tee woke up everybody in Port Richmond and all the men were getti ready for work, and some of that committee were starting engines get ready to run. Everything was working all right on the 27th. ter dinner or about dinner time I received a telegram, "Is strike clared off. Please answer immediately."

Q. Who from?—A. Mr. Cahill, at Pottsville.

Q. Mr. Cahill is a Knight of Labor?—A. Yes, sir. During the aft noon I received three more from Pottsville, "Answer immediately strike declared off?"

Q. This is the 27th, and you answered?—A. Yes, sir; "Strike clared off."

Q. They were dispatches that you received from working people A. That night I received a letter from Bensimur stating that they h received no notice from me that the strike was declared off until twe minutes after 11 in the forenoon of that day; that the men at P Alto were out and at the present time nobody had gone to work. T following morning I received another telegram that the men were s out at Palo Alto and Shamokin. In pursuance to this telegram a me ing was called of men at Port Richmond and they resolved to go out strike again at 12 o'clock that day.

Q. Now, let us go back. On the morning of the 27th what amount men at Port Richmond went to work? Except the crews, Shark Hede, and yourself, you did not go to work?—A. No, sir; I was working; I was discharged.

Q. How many men went to work at Port Richmond that morning A. Those actually at work?

Q. Yes, sir.—A. I should judge 450 or 500.

Q. Out of 1,200?—A. Yes, sir; actually at work.

Q. Why did not the rest go to work?—A. There was nothing them to do.

Q. Why was there nothing for them to do?—A. There was no coal the wharves for the vessels.

Q. You claim they would have gone to work, but there was no w provided by the company?—A. Yes, sir.

Q. Does it happen when there is no strike?—A. Yes, sir; on the c piers.

Q. Then what took place that day, the 27th?—A. On the 27th at o'clock, as soon as the men had quit work to go to dinner, they atten a meeting and they unanimously agreed to go out again.

Q. What for?—A. Because the men at Palo Alto had been dischar and victimized.

Q. How?—A. By not giving them places on the morning of the 27

Q. Do you know whether they reported at Palo Alto?—A. I kn fifty of them reported at 12 o'clock.

Q. And were refused employment?—A. And were refused employment.

Q. Will you tell me whether any committee under this agreement, or was this agreement intended or supposed to apply to those men?—A. Yes, sir.

Q. Do you know whether any committee was appointed to try and adjust the differences of the men in the Elizabeth Port difficulties?—A. No, sir.

Q. And were all discharged apparently?—A. Yes, sir.

Q. Do you or do you not claim that the discharge should not have been made until an opportunity had been given to send a committee?—A. I claim that we should have had a chance to send a committee.

Q. Then, during that day, the 27th, the Port Richmond people went out again because they understood the men at Palo Alto who applied for work had been refused?—A. Yes, sir; and other places along the line.

Q. What happened then?—A. Port Richmond went out for the second time, with the exception of about 140. At that second time there were about 1,400 men out.

Q. Well, sir, was any effort made by you to fix that up; that is, on the part of the employés; I do not mean you individually?—A. No, sir.

Q. Have any committee or any negotiations or any ways been made?—A. There have been negotiations opened up, or tried to be opened up, by a committee waiting on Mr. McLeod to try to arrange a conference with Mr. Corbin about two weeks ago, I should judge.

Q. What became of it?—A. They could not make anything of it. He would not treat with it.

Q. Is that all?—A. Since that time I believe there has been a committee, composed of Knights of Labor, that has wrote to Mr. Corbin asking for a conference to settle the difficulty.

Q. Have they had a conference?—A. No, sir; not that I am aware of.

Q. Did he refuse?—A. I have seen in the press he refused our committee.

Q. How many railroad men do you estimate went off and are out now?—A. I think at the present time there are about 5,000 men; at from 5,000 to 5,500.

Q. Mr. Corbin has spoken of some 2,600, and they all think as a business matter it will be a cold day before the company take them back. Where are these men; you are one of them?—A. I am one of them.

Q. What about the majority of them, you, Sharkey, and Hede?—A. I can not tell you where those 2,600 are except they are in this State.

Q. Do you know any reason to make their case a special one other than they were Knights of Labor?—A. I know on the morning of the 27th nearly all the representative men of the organization from one end of the line to the other got their discharges sent them.

Q. You say there are about 5,000 out?—A. I should judge about that.

Q. Are all those 5,000 Knights of Labor?—A. Yes, sir.

Q. Were any men not Knights of Labor refused employment?—A. Not that I am aware of.

Q. Have any gone on a strike who were not Knights of Labor?—A. Very few, I believe.

Q. That is about what you know concerning this strike?—A. Yes, sir.

Q. I will go to the next clause. This clause in regard to a committee and arbitration is the clause which you claim that the company violated?—A. That clause I claim they violated.

Q. Seventeenth, "That men drawing fires should be pron found worthy." You mean hostlers shall be promoted ?—A. Y

Q. Eighteenth, "That an employé asking to be off duty will a final answer, either yes or no, as the case may be." What d mean; for leave of absence ?—A. Yes, sir.

Q. What does that mean ?—A. Whether when a man want off on special business of his own and go to the dispatcher tha Port Richmond he was simply to say whether he could go or n

Q. That was simply a case, I suppose, that a man did not wa obliged to tell his business ?—A. Their private business.

Q. And they would be told they could go or not, and they obliged to detail the business they were going on ?—A. Yes, si

Q. Nineteenth, "That twelve hours be counted as a days' worl trains between Palo Alto or Tamaqua, as the case may be, from the engine is coupled to the train, and any overtime shall be pro rata except when delayed by an accident caused by the less of an employé, in which case no extra time will be allowed. accident is caused, however, by broken axle, wheel, rail, etc., company will allow all time made over twelve hours." Now wh that; was that lived up to ?—A. Yes, sir.

Q. That is very reasonable, because if the accident is cause man himself he would not be allowed overtime, but if caused fective wheel, axle, etc., it would be allowed. Twentieth, "Tha men and conductors be called when not residing further than distant from dispatcher's office at Richmond, the same as no done with engineers and firemen." What does that mean ?—A tified for duty.

Q. Was that lived up to ?—A. Yes, sir.

Q. Twenty-first, "When coal trains haul fifteen or more frei at one time the conductors be allowed 15 cents additional for report, same as freight conductors." What about it ?—A. That dinarily lived up to.

Q. Do you know anything about it yourself ?—A. I do not kn thing.

Q. Twenty-second, "When main-line employés are sent f point of the road to another as passengers, but on company's they shall receive pay for same." Has that been lived up to ?- far as I know.

Q. Twenty-third, "That crews when sent from Richmond mont or Broad street to move freight or coal trains be paid ex from the time they leave the Falls—." What does Falls mean ?- West Falls of the Schuylkill.

Q. "That crews when sent from Richmond to Belmont or Bro to move freight or coal trains be paid extra time from the ti leave the Falls until they return to that point." Was that l to ?—A. Yes, sir.

Q. Twenty-fourth, "Free passes will not be issued to e When on duty they will be furnished with a ticket, and if u use the ticket before its expiration, the same be returned to patcher, another ticket will be issued in its stead. This rule good for employés coming to Philadelphia to be paid, but in t ticket will be furnished only upon an order from the division tendent." What about that ?—A. That has been lived up to.

Q. Twenty-fifth, "Wharf hands to be paid from the time ordered to work by the foreman." That is, they are to be paid time before going to work when they report for duty ?—A. Y they report for duty.

This appears to be dated the 28th, 1886. The original has no ——A. The date is at the bottom, I think.

I want to ask you one more thing. Mr. Lee and Mr. Sweigard testified as to an interview when Mr. Lee was sent for by a detec- to come to Mr. Sweigard's office. Please state if you are the Mr. ett who called with Mr. Lee?—A. I am the Mr. Bennett who d with Mr. Lee; yes, sir.

Did you go into the room with them?—A. No, sir.

Did you hear their conversation from the outside?—A. No, sir; I d not.

. Will you tell this committee whether or not you attempted to go the room?—A. No, sir; I did not.

. Was there anything said by Mr. Sweigard to Mr. Lee about your ing into the room?—A. Mr. Sweigard stated he did not want to see

. How did he come to say that?—A. Because Mr. Lee and I were ing near the door.

. Did Mr. Lee make any remark concerning it?—A. Mr. Lee told Sweigard he wanted me to accompany him.

. Was it in response to that that Mr. Sweigard said he did not want alk to you?—A. Then Mr. Lee did not want to go in, but I advised to go in.

. He left you there?—A. Yes, sir.

. How long was he in there?—A. About five minutes.

. Was the door open or shut?—A. There was one door open and , which went into another office, which was shut.

Q. And you heard nothing?—A. Nothing whatever.

Q. That is all you know about the matter?—A. That is all I know cept what Mr. Lee told me after we came out.

Q. What did he report when he came out; what did he tell to you?— . He said, Mr. Sweigard said, "John you are a good man, you are fit r any position on this road, and I believe you have always done right d will do right and I intend to promote you." With that Mr. Lee ys, "Do you mean to give me this as a bribe?" and he said, "No." Well, in any case I do not wish to stay here any longer." Then he id, "John, I will discharge you," and Mr. Lee said, "The hell you will," d came out.

Q. Was that all?—A. That is all Mr. Lee reported to me.

Q. Do you know Mr. Lee's handwriting?—A. I think probably I can ll you.

Q. Do you know it?—A. I would not swear to it.

Q. Have you received letters from him?—A. Yes, sir.

Q. Have you ever seen him sign his name?—A. Yes, sir.

Q. How often have you seen him sign his name?—A. Probably four r five times.

Q. Do you know whether that is his writing or not by this exhibit handing exhibit)?—A. I should judge it was his writing, although I would not like to swear to it.

Q. Do you think the bottom is his writing and signature; can you give us an opinion whether or not?—A. I would not like to swear as to whether it is his signature, but I would think it is.

By Mr. PARKER:

Q. Why did not the engine crews handle Taylor & Co.'s property?—A. In pursuance of an agreement arrived at that meeting of the 20th of December——

Q. You have not answered my question. Why did not the crews of the engine handle Taylor & Co.'s property?—A. Because we had agreed at that meeting to refuse to put that flour in.

Q. Who agreed to it?—A. The meeting.

Q. What meeting?—A. A meeting of the Knights of Labor and the employés of the railroad company.

Q. When was that meeting?—A. December 20.

Q. How long had the property been there, that consignment?—A. The consignment of flour was put into Mr. Taylor's sheds, do you mean?

Q. No; when was it received in the yard at Port Richmond?—A. The flour?

Q. Yes, sir.—A. The flour was on a number of cars on the track.

Q. When?—A. At that time and previous to that day.

Q. How long had it been there?—A. I could not tell.

Q. Several days. Had they not been ordered before this meeting to put it into Taylor's warehouse?—A. Before they refused; no, sir.

Q. Why had they not done it before?—A. They had put it in.

Q. They had put it in on the 20th into Taylor's warehouse?—A. Yes, sir.

Q. And they had already put flour in and then refused to put more in there?—A. They had put it in there. The last flour put in was on the 20th.

Q. Was there any coal there on the tracks at that time?—A. I do not think at the freight wharves there was coal.

Q. What flour did they refuse to put in?—A. The flour they refused to put in was on Thursday, the 22d.

Q. When was that meeting held?—A. The 20th.

Q. Then they refused to put in this consignment or anything more for Taylor & Co.?—A. Yes, sir.

Q. Why did they refuse?—A. The reason they refused was, about the 6th of December——

Q. Tell me why they refused; come to the reason?—A. Because Mr. Taylor refused to pay union wages.

Q. Did he employ the men?—A. Yes, sir.

Q. What kind of men?—A. Stevedores.

Q. Non-union men?—A. They were.

Q. What do you call men who do not belong to the order; have you any technical name for them?—A. Yes, sir; "scabs."

Q. Do you require that Taylor should employ Knights of Labor?—A. No, sir.

Q. Do you require he should pay wages you dictate?—A. Yes, sir; that he should pay union wages.

Q. And if he did not pay union wages no men should work for them?—A. That was the sense.

Q. Do you assume that a railroad shall say what a man shall pay his men?—A. No, sir.

Q. But you assume that the railroad should not serve him unless he paid the wages that you said he should?—A. That was the sense of the meeting.

Q. Do you consider in this the man's rights and the railroad's duty to handle this?—A. No, sir.

Q. Do you consider the injury produced on the consumers all over the country, or do you consider only the fact of the wages of the men who belong to your order?—A. Exactly, sir.

Q. The general idea of the order is this, that the interest of one is the interest of all, and the injury to one is the injury to all, but you exclude from that theory everybody except members of this order.—A. Exactly, sir.

Q. What is the present condition of these striking men; are they at work?—A. No, sir.

Q. Have they families, generally?—A. Yes, sir.

Q. Where are those families?—A. All over the line.

Q. Are they in a suffering condition, as you know?—A. Not as I am aware.

Q. How are they taken care of?—A. At Port Richmond the order at large is taking care of them.

Q. Do you pay per day or per week?—A. Paying no money at the present time; we are feeding them there by stores we have.

Q. Where are those stores?—A. One upper and one lower in Port Richmond.

Q. Is the stock of those stores owned by the order?—A. Yes, sir.

Q. Do you know that Hede did not telephone or telegraph to Sweigard that none of the five crews would move this freight?—A. I believe he did not.

Q. Do you know he did not was my question.—A. Not that I am aware of.

Q. Would they have moved that freight when they were ordered by the employés not to move it?—A. No, sir.

Q. They probably would have refused to have moved the freight?—A. Yes, sir.

Q. That was what the strike was for?—A. No, sir.

Q. Were they not ordered out on that account?—A. No, sir.

Q. Were not the five crews discharged because they refused?—A. I presume they were.

Q. Then you say the strike did not occur on account of those men being ordered out, although they were ordered out of the employ of the company?—A. The strike was spontaneous, and the men at Port Richmond went out without anybody ordering.

Q. Do you assume that the men shall dictate to the company what men they shall have in the yard; policemen and others?—A. No, sir.

Q. Have they a right to strike unless the company have such men as they wish, and keep out such as they do not wish?—A. The men assumed they did not want to work under police surveillance.

Q. And, therefore, they would strike unless the company did as they wished.—A. They did at that time.

Q. Do you people in the labor organization assume that you have a right to dictate to the employers, and to the customers of the employers, how they shall manage their business with their employés?—A. No, sir; we think we should confer before dictating.

Q. They should confer first, and then if the employés are not paid as they wish, they may strike. You have a theory in your order that the working-men created all this property, and in that respect they resemble Providence.—A. Yes, sir.

Q. Therefore, in this respect, resembling Providence in the creation of property, they have a right to support and control it?—A. Yes, sir.

Q. That is one of the theories upon which you men act?—A. Yes, sir; that is one of them.

Q. It was upon that theory in part that such action as this was taken, and this is one of the bases of strikes?—A. That is it, sir.

By Mr. STONE:

Q. You were about to explain something with reference to the Taylor difficulty.—A. Yes, sir. Do you wish me to explain that part of it?

Q. If you do it briefly.—A. Previous to this trouble there were employed in Taylor's flour shed from sixteen to eighteen men in charge of Mr. Flood, stevedores of the Philadelphia and Reading Railroad Company. He was paying his men 30 cents per hour in the grain elevator, also under charge of Mr. Taylor. He had from ten to twelve men employed at $10.50 a week. He asked these men to go into the flour shed there for $9 a week. They refused to go on account of the reduction. Then he applied to the freight engineer of the Philadelphia and Reading Railroad Company for men. He sent him men, and the men when they found there was a reduction in the wages from $10.50 to $9 per week, and the men under Mr. Flood were receiving 30 cents per hour, they also refused to go to work. They had a meeting on the 6th of December and it was so reported. The meeting agreed to send a committee to see Mr. Taylor, and see if they could not induce him to pay the union rate of wages, $10.50 per week. That committee failed to see Mr. Taylor. During that time these men were discharged who refused to go into the flour shed at $9 per week, and the following Tuesday there was another committee appointed. They also failed to see Mr. Taylor, after trying repeatedly to see him, and they so reported at the meeting of the 20th; and the decision of the meeting was that the crews working at that particular job should refuse to put in the flour until such time as Mr. Taylor paid the union wages, $10.50 per week.

Q. How much was he paying per week?—A. Ten dollars and fifty cents in the grain elevator, right next to the flour shed.

Q. How much was this crew that quit work paid?—A. He wanted those men to go into flour shed for $9 a week.

Q. How are these men who have struck, these 5,500 men, being supported now?—A. Well I can answer they are being supported by voluntary contributions.

Q. From whom?—A. All over the country.

Q. Who distributes it; a committee of the labor organization?—A. Yes, sir.

Q. Who distributes it among the men?—A. The executive committee.

Q. Here in Philadelphia?—A. Yes, sir.

Q. Who constitutes the committee?—A. I am one of the committee.

Q. How much money have you received?—A. We got somewhere in the neighborhood of $3,000.

Q. You have distributed it among these men?—A. We have been buying food.

Q. How many men have you supported with those $3,000?—A. I should say about 600 or 700 applied for relief.

Q. Do you know what Lee went to Pottsville for and how he happened to go?—A. What time, sir?

Q. When he went from here during the strike; when he went up there.—A. After the strike?

Q. Yes, sir.—A. He went there as chairman of the executive committee.

Q. At the time Mr. Sweigard claims that he was paying Lee $2.50 a day to go up there. When did you first hear of that?—A. The other day, yesterday, when I was in this room.

Q. Here is the receipt from Mr. Lee [shows receipt, see exhibit No. 41]. Does that cover the time Mr. Lee was at Pottsville in the interest of the strikers?—A. I did not know Mr. Lee was in the interest of the strikers about that time in December.

Q. When did he go there in the interest of the strikers?—A. In the interest of the strikers?

Q. You say he went there as chairman of some committee.—A. He nt there on the night of the 24th December; Saturday night.

Q. This was for services rendered in October?—A. I know nothing ll about it.

Q. Was he understood to be at Pottsville in the interest of the strik- in October?—A. Not that I am aware of, sir.

Q. Then if he was there in October rendering a special service for the road company, it was not inconsistent with his obligations to the ights of Labor?—A. I should think not; not if he was rendering a cial service for the company.

Q. Well, if he was there to control the men, and keep them at work, l prevent a strike, as the agent of the company, sent there because was supposed to have considerable influence with the Knights of La- , and was there to use his influence in the interest of the company, uld it have been inconsistent or in conflict with his duties to your or- nization?—A. Well, not as I am aware of; no, sir, although I do not what he wanted to go there for.

Mr. CHIPMAN. Suppose he was sent there and part of his duty was determine whether to strike or not. Say from the stand-point that only his duty to the men under payment as a committee of the n, but on the other hand he was under payment of the railroad com- y to keep the men from striking under any circumstances. Do you that would be consistent?

The WITNESS. No, sir; that would not.

Q. Where is Mr. Lee?—A. In Pottsville, so far as I know.

Q. We will likely see him there Monday?—A. I should think so.

By Mr. ANDERSON:

Q. You have the same rights, although being a Knight of Labor, that Corbin has?—A. Yes, sir.

Q. As you were made by the same God who made Mr. Corbin or a way superintendent, you have the same natural rights; you have right to read and to write and to think, and the right to have that ich is best for you and your family?—A. Yes, sir.

Q. You have the right to take employment from a railroad company a private individual or not to take any employment, have you not?— Yes, sir.

Q. You have a right to combine with other men in what is termed a rch, if you see fit, have you not?—A. Yes, sir.

Q. You have a right to combine with other men in a political organ- tion, if you see fit?—A. Yes, sir.

Q. In other words, you have a right to go with those who think as you and who are willing to go together for the purpose of doing a thing ich is not against the law of this State or the United States?—A. s, sir.

Q. You have a right to contribute of your own money for the support any man's family, have you not?—A. Yes, sir.

Q. You have the same right to make a contribution to the treasury the Knights of Labor or any other organization as Mr. Corbin has make a contribution to a hospital?—A. Yes, sir.

Q. There is nothing wrong, nothing dishonorable, nothing injurious, her to the law of God or man, in contributing to the relief of those o are in distress, and whose interest, to a large extent, are your in- ests?—A. Not that I am aware of.

Q. You have a right to organize under the Knights of Labor, if you sh?—A. Yes, sir.

Q. The Knights of Labor have a right to contribute where they see fit?—A. Yes, sir.

Q. A railroad company is a combination?—A. Yes, sir.

Q. It is simply a set of individuals getting together in a sort of company making this combination?—A. Yes, sir.

Q. And these men have money there?—A. Yes, sir.

Q. It has been stated in the papers that these corporations have combined, so as to control the whole carrying trade from the anthracite regions. That is a combination?—A. Yes, sir.

Q. Are the Knights of Labor any more of a combination?—A. No, sir.

Q. If these men have a right under the law to combine for the purpose of controlling the output of coal for the purpose of regulating the price of coal, then you have a right to combine for the purpose of protecting yourself and those who work with you against the aggressions of these corporations?—A. We have that right.

Mr. ANDERSON. I claim it as an American citizen.

Mr. CHIPMAN. You are not on the stand.

Mr. ANDERSON. I am ready to go on the stand.

Q. Now, if these contributions have been made, your organization has the right to appoint a committee?—A. Yes, sir.

Q. And that committee has the right to distribute it?—A. Yes, sir.

Q. Is there anything more unlawful in that than for a railroad company to set aside a portion of its funds for any purpose within its charter?—A. No, sir.

Q. You sympathize with me in being a little tired of this howl against the right of American citizens to combine for lawful purposes?—A. I sympathize with any man.

Q. Now, are there any other points you wish to state in regard to this transaction?—A. No, sir.

Q. When the men went out from these engines, you state there was a large number of them?—A. Yes, sir.

Q. If these men had been governed by passion and not by a respect for the law, if they had been a mob of scalawags, was it not within their power to have attacked the property of the company?—A. If they hadn't been law-abiding citizens they would have done so.

Q. So far as your observation has gone, how much chance would one man in the employ of a railroad company have to resist its constant aggressions upon him?—A. None whatever; no chance at all.

Q. In other words, a combination of employés is formed because there is strength in union, and under the law which permits you to form a church you have a right to form that combination, and as a member of that combination you have a right to entertain such opinions as are not improper and unlawful just as much as the member of a church has the right to his opinions?—A. Yes, sir.

W. A. CHURCH—Recalled.

Mr. CHURCH. You asked me the date of my appointment as treasurer of the company. I gave you the date of my appointment as treasurer of the railroad company. It was the Coal and Iron Company I was examined about as to the date of appointment as treasurer. I have the date here. I stated 1884; that was the railroad company. The appointment of treasurer of the Coal and Iron Company was since January, 1887.

TESTIMONY OF FRED. W. TAYLOR.

ED. W. TAYLOR, affirmed.

By Mr. PARKER:

Are you a member of the firm of Taylor & Co., and what is the name?—A. The Philadelphia Elevator Company.

You are a member of the company that has been referred to as or & Co.?—A. Yes, sir; general manager, representing this in- st.

You may state the circumstances in regard to the trouble in con- ion with the men whom you are charged as employing at under- s?—A. I want to explain that point, because, as far as we are con- ed in this matter, I think if these men were really in earnest I have uch regard for them as anybody, and our desire has been to try extend the work as much as possible. Now, if these men had sent ody to us—but we have not seen anybody connected with these ; they never sent to us; we never had any interview with them. start with this work was when we completed the frame of the shed for the prompt discharge of the cars which we were leaving tofore on the track. On the completion of that shed, in engaging r to go to work discharging cars, we concluded it would be a great better for the men's interest to employ them by the week than by job. It would be our risk in starting up that business in regard to rate and not the men's risk. We wanted them to get the benefit fixed rate than a jobbing rate. It was far more favorable for them ave a specific rate paid. As I said, we have no objection to Knights abor and never had, nor to any other organization. I have always d, whenever I was asked the question, that I had no objection in loying men, whether they were Knights of Labor or any other or- zation, so long as they did their work properly.

following up in line with the general organization that had been e at Port Richmond, our first course in starting this shed was to go r. Keim, who was the head representing the labor there, somewhere t the 17th December, and ask him whether he had not had men en- d in that work up there——

r. ANDERSON. What is Mr. Keim's position?

He is superintendent of the shipping interests there. His duty at of shipping and freight agent for the Philadelphia and Reading road Company.

e went to him with a view of getting his opinion in regard to the ities of the men. We did not want to get men who got intoxicated; anted good steady men. He sent for Mr. Toner and they selected t. Those men were all Knights of Labor. We left it to them to t that list. That was before we had done any work. There is the of the names selected for us:

f men engaged to work at William-Street Station at conference held with Mr. J. O. Keim and Edward Toner, at Keim's office, about December 17, 1887:

harles Thomas.
ames Dever.
ames Gallagher.
ohn Rattle.
ernard Dever.
ohn Monegal.

Mr. PARKER. When was complaint made to you?

The WITNESS. I will follow that up. We stated in regard to the rate of wages that it was simply to discharge into the shed from the car on the platform. It was discharging flour direct from the car into this shed. We concluded we would pay $9 a week. We wanted to pay the men weekly rates. But after examining around, we called upon the Pennsylvania Railroad and asked what they were paying, and we found they were paying $40 a month; then we asked the Reading people and found they were paying $41 a month. We divided these up, and we found about $9.50 would be the net rate per week. So we concluded that $9 to $9.50 would be in conformity with the current rates. These men came down to our place. We showed them the character of the work, and engaged them, to report the next morning; but they did not report. The next morning we made arrangements for shifting the cars, but the men were not there. The men that Mr. Bennett is under the impression were getting $10.50 in the elevator were not making anything of the kind. They were men doing piecework. They did not average over $6 a week.

Q. How did you get men?—A. We went over to the elevator and asked men standing around whether they wanted to work, and they said no, not at that price. We had no information in reference to any action of the local assembly there, but suspected it was that. In the first place I wanted the men to know that the Port Richmond labor shall have such work as exists at Port Richmond at the time. I think that is merely right. But we could not get that labor owing to the action of this assembly. We turned to the labor engaged in finishing up this work and we asked them, and they were very glad to undertake the work. We started our gang made up from that source.

Q. What did you pay?—A. Nine dollars and a half, which we continue to pay.

Q. How had they been employed before the disturbance?—A. They had been employed in the work of finishing in the erection of the wharf.

Q. In this character of work, how long had they been employed before the disturbance?—A. I think they started in to work on Monday, the 19th of December; that was the first day's work in the shed for us.

Q. Have you any knowledge of what complaints were made against you by the Knights of Labor?—A. I never had but this investigation of this action of the Knights of Labor in not allowing men to go work who were willing to work.

Q. I want to know whether you have any knowledge of the complaints against you that you did not pay wages enough, and that you are employing some other class of men?—A. Only what I got in my investigation, in the absence of any direct communication. I heard they stated——

Q. What was the statement?—A. That they intended to run that wharf and to name the rate of wages, and they were going to name the men; that they did not propose to let us run that; that they were going to run it.

Q. Then you understood that the Knights of Labor assumed to dictate not only the wages, but the men you should employ?—A. Unquestionably. The first day's work was done by that labor that was engaged without any difficulty. The next day they did not come to shift the cars. We asked for them. We found this rumor spread that they did not intend to give us any cars. So I told brother we had better put it in writing so as to obviate any difficulty. He wrote this letter:

EXHIBIT 40.

12, 22, 1887.

ESPECTED FRIEND : Owing to your not giving us a fresh supply of cars yesterday were not able to do a full day's work with our force, and we will be obliged to p our men idle (at Williams Street Station) awaiting your shifting.

e hereby give you notice we will hold the Philadelphia and Reading Railroad pany liable for all loss or damage resulting from your refusal to furnish us with .

waiting your prompt attention.

Yours, truly,

CHAS. M. TAYLOR, JR.,
Manager, Williams Street Station.

. O. KEIM,
Shipping and Freight Agent, Philadelphia and Reading Railroad Company.

EXHIBIT 41.

THE PHILADELPHIA GRAIN ELEVATOR COMPANY,
CHAMBER OF COMMERCE,
Philadelphia, 12, 22, 1887.

ESPECTED FRIEND: Our cars are all emptied, and you will oblige us by making hift as promptly as possible, taking out the empties and putting in loaded cars.

Yours truly,

C. M. T., JR.,
Manager P. G. E. Co., William Street Station.

. CAREY,
Dispatcher, P. and R. R. Co.

This is from the local dispatcher in charge of the railroad engines:

EXHIBIT 42.

AS. M. TAYLOR, Esq:

EAR SIR: I will have the empty cars taken out of the store-house in a few minutes. regret my inability to have the loaded cars put in. The Knights of Labor Assembly, which all our men belong, have decided not to deliver any cars pending the settlent of a question of which you perhaps have a knowledge.

Yours, very respectfully,

W. CAREY.

ECEMBER 22, 1887.

Q. What next follows?—A. The next was a conference with Mr. Mc- od, in which he asked minutely in regard to these cars, and asked hat we paid for wages, and said he would want an investigation. I plained to him in detail the various steps, and stated that I did not ant the question of our wages to go through the railroad channel; at I did not want it to go through Mr. McLeod's hands, and, in order insure that, I wrote this letter to him:

EXHIBIT 43.

THE PHILADELPHIA GRAIN ELEVATOR COMPANY,
Philadelphia, December 22, 1887.

RESPECTED FRIEND: In connection with our interview yesterday relative to the usal of your employés, under the orders of a local labor organization, to deliver to cars to our pier, we desire to submit—

That the only point at issue is whether your company will tolerate the refusal of tain employés to perform regular, established duties, with the intent to deprive us our business, unless we shall concede dictatorial power to said labor representatives.

Our explanation of our wages, etc., were parenthetic, and simply given to show you at we were paying our employés full established rates, and our men are satisfied th the same. This is a matter not within your jurisdiction nor proper for discusn with your employés.

We protest against the unlawful attempt to deprive us of our railroad connectio and demand, without delay, the restoration of the same, and will hold your compa liable for all resulting loss or damage and amenable as a public carrier for permitti the unlawful obstruction of our rights.

Awaiting your prompt attention, we remain,

Very truly,

THE PHILADELPHIA GRAIN ELEVATOR COMPANY,
FRED. W. TAYLOR, *Manager.*

A. A. MCLEOD, Esq.,
General Manager, Philadelphia and Reading Railroad Company.

Q. Did you get any further explanation?—A. No; that ended o connection with this whole matter.

Q. And the strike followed?—A. All that matter is the railroad' we have got nothing to do with that.

Q. You do know it followed?—A. It did.

Q. Do you say the statement of the last witness, Mr. Bennett, is co rect as it relates to your men and wages?—A. No, sir; it is not tr

Q. In what respect?—A. In its assumption, first, that we had e ployed men and discharged them. We made no discharges connect with the starting of this work. The men he alludes to as being paid cents a day were employed by the railroad company doing the railro work. He complains that the men failed to see me. Why could n they ask? The house was open.

Q. Were you paying union wages?—A. There is no such thing union wages.

Q. Were you paying full wages?—A. Unquestionably. We are t day paying full wages.

Q. What amount of the men you had employed were Knights of L bor?—A. Some of them were.

By Mr. STONE:

Q. If you had Knights of Labor and the Knights of Labor were r ceiving full wages, what more could be given?—A. I am sure that one of the things I would like to know myself.

Q. I understand the statement of Mr. Bennett was that they we out because you would not pay union wages?—A. They did not inv tigate the matter; they did not take the trouble to examine into th claim and inform themselves. The first matter should have been a co versation with us in regard to work and wages. I think we could ha satisfied the men. Now they have an idea that we intend to interfe with stevedoring. That is something we do not intend to do. The is where your union wages apply, in this question of stevedoring.

Q. But I still can not understand why one set should go out becau they did not get full wages, and you say they did?—A. I think it shou make no difference whether my men belong to a labor organization o not, but if we have men in our employ not under the control of lab organizations, they do not like it. If a person belongs to one of thes and a committee comes down here and says your men must do so an so, and if you do not, it stops the work.

Q. On that account you would prefer to have laborers not in thes organizations?—A. All I ask is that a man shall do his duty direct to me, and if there is any complaint to make that complaint directly t me. That is all. I do not want the intervention of a third party, committee, or anybody else.

POTTSVILLE, PA., *February* 20, 1888.

TESTIMONY OF JOS. P. CAHILL.

JOS. P. CAHILL, sworn and examined.

By Mr. PARKER:

Q. What is your age?—A. Thirty-one years.

Q. Are you a native of this State?—A. Yes, sir.

Q. Born in this State? - Yes, sir; in the city of Philadelphia.

Q. What has been your occupation?—A. I have been in the employ the Philadelphia and Reading Railroad Company for the past ten ears.

Q. In what capacities?—A. In the freight department.

Q. Holding the same position all the time?—A. No, sir, holding different positions.

Q. Name them.—A. I was first a laboring man, doing laboring work; next a checker.

Q. About when was this? Give us about the periods.—A. I did laboring work about three months in the employ of the company. Finally I got to be checker, from checker to receiving clerk, from receiving clerk to delivery clerk, from delivery clerk to manifest clerk, in charge of the wholesale department of the inward-bound freight.

Q. During the past three or four years what positions have you occupied?—A. In the delivery department. I left the employ of the company for about fifteen days, and went back again in the same position.

Q. When was that return?—A. About two or three years ago.

Q. Where were you employed when the receivership existing previous to December, 1887, commenced?—A. At the freight station in the delivery department.

Q. At what point?—A. Philadelphia; Front and Noble.

Q. And remained in that employment until when?—A. I was always considered an employé of the company working at the station until about six or seven months ago.

Q. Has all your employment for the railroad been in Philadelphia?—A. Yes, sir.

Q. What did you do then?—A. I was elected the secretary of the executive board of the entire system of the Reading Railroad employés belonging to the Knights of Labor to attend to the grievances among the men.

Q. Were you disconnected from the service of the railroad at that time?—A. No, sir.

Q. Did you remain in the same position you held before?—A. Yes, sir; my position was always open for me.

Q. Did you remain in it?—A. No, sir.

Q. I want to know whether your employment under the railroad continued in the same position it was before?—A. No, sir; if I had any cases to settle along the line of the road, and I had one or two or three day's work there, the other three days I would go back to my position and work for the road.

Q. When did you become a Knight of Labor?—A. I became a Knight of Labor about thirteen months ago.

Q. And still remain one?—A. And still remain one.

Q. On the 1st of December last, what proportion of the employés of the Reading Railroad were members of the Knights of Labor?—A.

On December 1 last we had nearly all the different departments org
ized into Knights of Labor.

Q. Then practically the whole body of the employés of the Read
Railroad in all these departments were members of the Knight
Labor?—A. Yes, sir.

Q. Of how many did this executive board, of which you were a m
ber, consist?—A. Well, we had represented in our convention—we f
what we call conventions, composed of the different local assemb
from the State, which number, to the best of my knowledge, about fo
eight to fifty assemblies. Our executive board was composed
chairman and secretary. Whenever a grievance would arise in a l
assembly, there was one man taken from that local assembly to s
with the chairman and secretary of the executive board in the se
ment of the grievance, but virtually there were only two of us.

Q. And the three constituted the executive board?—A. And was
pointed a final power.

Q. But they constituted the executive board?—A. Yes, sir.

Q. So the executive board when working consisted of three, tw
whom were permanent by being chairman and secretary, and the o
was selected locally from the place of the grievance?—A. Whe
met in convention, which was every month or two, the executive b
then was composed of one from each local assembly to receive the
ports of work done from the previous conventions. Then we w
take our work into the convention and be ready for them.

Q. When you became secretary, who was the other member of
board?—A. John L. Lee was chairman.

Q. Had he previously been?—A. Yes, sir.

Q. You found him there then?—A. Yes, sir. John L. Lee was ch
man, myself was secretary.

Q. Did you strike at any time?—A. No, sir.

Q. You never have struck?—A. No, sir.

Q. Did you remain away from employment; I mean what did
do?—A. Left the employment of the company?

Q. Yes.—A. Yes, sir.

Q. At what time?—A. That was on the 24th of December.

Q. You went out when the others did at that time?—A. Yes, sir.

Q. On account of the Port Richmond troubles?—A. No, sir.

Q. On account of the Elizabethport troubles?—A. Yes, sir.

Q. How was it that you had more intimate connection with
troubles with the Elizabethport laborers than the Port Richm
laborers?—A. We were affected directly in the trouble at Elizab
port, not Port Richmond.

Q. Were you at Elizabethport at the time the trouble occurred the
—A. I was not.

Q. Did you go there soon afterwards?—A. No, sir; telegrams c
here. We received a dispatch, John L. Lee chairman, that 125
were discharged. I was on my way to Philadelphia at the time
Mr. Lee sent me a dispatch to my home. I immediately went to he
quarters of my assembly. When I arrived there I found the Port R
mond men were on strike.

Q. Did you go to Elizabethport?—A. No, sir.

Q. Did you investigate the disturbance at Elizabethport?—A. Y
sir.

Q. In what way?—A. From their representative men.

Q. Coming before your board?—A. Yes, sir; coming before our c
vention.

Q. Did your executive board as a board investigate it ?—A. Yes, sir.

Q. Who was the other member of that board upon such investigaion ?—A. John Mullen, from Elizabethport.

Q. Where did you have that investigation ?—A. Mutual Hall, Port Richmond.

Q. Did any one take part in that ?—A. Only to find out the causes by the men were locked out and discharged.

Q. What I was getting at—but I will ask another question. Did any ne take part in that investigation of the Elizabethport trouble except he three constituting this executive board ?—A. Yes, sir.

Q. Who ?—A. The whole convention.

Q. Consisting of how many members ?—A. To the best of my knowldge about eighty.

Q. And those eighty persons were representatives from the different ocal assemblies ?—A. Yes, sir.

Q. Covering what territory ?—A. Covering from Elizabethport to Wilkes Barre, all the different branch lines.

Q. Did you go to Elizabethport to make any part of this investigation ?—A. No, sir.

Q. Then your knowledge of the Elizabethport troubles came from the investigation which you made officially ?—A. Yes, sir.

Q. You may commence with the Elizabethport disturbance coming to your knowledge in that way, in the order of time as near as you can, and state what occurred.—A. Could I give the idea what our convention was formed, for what purpose ?

Q. Preliminary, if you will.—A. We formed our conventions upon the Reading system, organizing our men for mutual protection. It has always been our object and desire to take our men and come in more closer ties of friendship with the employers so as to get them to arbitrate these grievances upon a business basis. There was a great deal of tyranny practiced by certain officials, which compelled our men to go into organization to protect themselves at different points of the road. We did it, and we mapped out our executive board and plan of conservatism between the officials and employés. We never had any trouble—true, we had trouble at Port Richmond, but which did not amount to much, a little splurge, and everything was working harmoniously. This board was well qualified for adjusting the grievances, and the company, we thought, was well satisfied we worked for their interests as well as our own; in fact we were in duty bound to do it. All the officials of the company gave our board courage. They said time and time again that as long as they had such men upon the board there would be no trouble. An agreement was entered into September last between the Coal and Iron Company and its miners in Schuylkill County here which was conditional and to last until the first of the year. In the mean time the Lehigh miners——

Q. You refer to the agreement of September 17 ?—A. Yes, sir. In the mean time the Lehigh miners were to bring the Lehigh operators to the same terms the Reading Company was paying. For that purpose our organization, then in convention at Shamokin, passed a resolution to give the Lehigh miners all the moral and financial aid which our organization had at its command. There was a committee appointed from headquarters here at Pottsville to collect finances to distribute to the Lehigh miners. We did so. Everything was working systematically. We had the strike virtually won.

Q. The Lehigh strike ?—A. Yes, to the best of my knowledge at that time.

Q. At what date would you put that. How near the time of the disturbance at Richmond?—A. Four weeks previous. Then we had information that the Reading Railroad Company was supplying the consumers of the Lehigh operators with coal. Chairman Lee——

Q. Can you give us the source of the information?—A. It is merely supposition, I will give you that now. Chairman Lee ordered me to make an investigation. I went to Shamokin where we have coal chutes. They were built for Western shipments only. It was never known, for coal coming from the different mines on the Philadelphia and Reading, that the cars were taken to Shamokin and dumped, previous to this strike.

Q. Previous to the Lehigh strike?—A. Previous to the Lehigh strike it was never known for the coal to be taken there. After the coal was dumped our cars went off to the different collieries again, and the Pennsylvania cars and the Baltimore and Ohio box cars and high sides were reloaded from the chutes. They were sent as far as Cressona down here. All the cars had tabs on—that is, shipment tabs—that is, Pennsylvania cars. They were consigned to Cressona and Schuylkill Haven. There they were reconsigned. After being reconsigned they were switched off on the Pennsylvania tracks. Port Richmond at that time, where they should have had three times the amount of cars, had only one third its quantity. When we saw what they were doing we called a convention on Thanksgiving Day in the city of Pottsville here of all the representative men of the different labor organizations in the State of Pennsylvania. We debated the question.

Q. What was set to be considered, and what was considered there?—A. That the Reading Railroad Company was supplying the Lehigh consumers with coal in the face of the fact that Mr. Sweigard had assured us that he would not ask our men to do anything that would jeopardize the Lehigh miners in bringing the Lehigh operators to the same payments they were paying.

Q. Did you come to the conclusion from the investigation you have detailed, that the coal that went in these cars, as you have stated, was to be used to supply the Lehigh consumers, or to carry out the contracts of the Lehigh producers?—A. To the best of my knowledge i was, while I have no direct evidence bearing on that point.

Q. Do you know where that coal went that was tabbed and switche as you have stated?—A. It went West and East.

Q. Going which way, so far as you know?—A. That I can not say we lost the track of it then.

Q. You do not know where it went out of the State?—A. No, sir.

Q. But you infer that it went to carry out the Lehigh producers contracts?—A. Yes, sir.

Q. And these bought that coal directly against the interests of th Lehigh strikers?—A. Yes, sir.

Q. Proceed.—A. I then stated to our representative men that I believed that before long we would have a fight with the Reading Railroa Company. That was about three weeks previous to the strike—fou weeks.

Q. Will you not tell us what organizations were represented in thi convention?—A. The Amalgamated Association was represented.

Q. What is that?—A. That is a labor organization.

Q. Where is it located?—A. Located here in the coal-fields.

Q. What is its business?—A. The same as the Knights of Labor. I is a labor organization.

Q. Of what laborers?—A. The miners and mine laborers.

Q. What is the amalgamation, what is amalgamated, why do they call it amalgamated?—A. It was an organization in existence previous to the Knights of Labor.

Q. Of what form does the amalgamation consist?—A. It consists of miners and mine laborers banded together to advance the interests of all in the organization.

Q. It consists of that organization amalgamated with the Knights of Labor?—A. Yes, sir; indirectly.

Q. Where were these representatives from at this meeting of which you speak?—A. They came from all parts of the State; from Pottsville, Hazelton, Mahanoy City, Tamaqua, Franklin, and Saint Clair.

Q. Did you take in the Pittsburgh section?—A. No, sir.

Q. And of course not the southern?—A. No, sir.

Q. They were mostly in and near the anthracite regions?—A. Yes, sir.

Q. Now you can proceed and tell what occurred.—A. I told the representatives of the Reading system that I believed we would have trouble with the Reading Railroad Company before long from the investigation I had made; that they were supplying the Lehigh consumers, and as I stated before, we resolved at Shamokin to give the Lehigh miners aid.

Mr. STONE. A moment; do you mean what you say, that the Reading people were supplying the Lehigh consumers and operators with coal?

A. Well, I should say Lehigh consumers.

Mr. PARKER. Was it not both?

A. Certainly, it was both. We had then some cars tied up at Bridgeport; some eight or ten cars of coal.

Q. Tell us now at this point how this coal came to be tied up.—A. Through the resolution that the men had passed to give the Lehigh miners the support that I stated, and they refused to handle this scab coal at Bridgeport. Our road was blocked there a little while with these eight or ten cars. Mr. Sweigard sent me a telegram to come to Philadelphia immediately. I went. He said, "Mr. Cahill, the men have got cars tied up at Bridgeport. I want you to go up and remove those cars." I stated to him—asked him if it was Lehigh coal. He said, "No." He said, "You do not think I would want to do anything that would jeopardize the interests of the men? I am a workingman myself." I went to Bridgeport and saw the cars; sent for the representative men, and in about fifteen minutes we ordered the cars to be removed, notwithstanding the fact we knew it was Lehigh coal.

Q. By Lehigh coal you here mean coal that was going to be used in the interests of the Lehigh operators?—A. Yes, sir; it was coal that was mined by scabs.

Q. What do you mean now by "scabs?"—A. I mean taking the places of men who were on a strike.

Q. Why do you call them "scabs?"—A. Well, I do not know of any worse name to call them. If I knew of any worse name I would certainly call them that.

Q. Well, your order is a humanitarian order?—A. Yes, sir.

Q. For the good of human beings?—A. Yes, sir.

Q. What right have you, as an order taking care of the interests of humanity, to single out part of a community and designate them as scabs?—A. Just the same right that the railroads have to combine for the purpose of keeping the men at work for starvation wages.

Q. Is that the only right you claim, that because the railroads do what they do, you do what you do?—A. Yes, sir. It is one of the American rights I claim.

Q. Well, then, the good-will of your order does not include the "scabs?"—A. No, sir.

Q. So far, then, you do not cover all humanity?—A. Yes, sir; we cover humanity.

Q. As covered by the word "scab?"—A. No, sir.

Q. Let us come to the Elizabethport difficulty.—A. Then there was a barge, belonging to Eckley B. Coxe, at Elizabethport, and the company ordered the barge to be loaded. It laid there at least two weeks previous to the company making up its mind to load it. They asked our men, the agent of the company at Elizabethport, to load that barge, and they refused. It was telegraphed to the Fourth-street office. The order came from the Fourth-street office to discharge all hands. 125 to 150 on the piers were discharged, engineers and all.

Q. What date was that?—A. That was on the 22d of December—the 23d, I think it was.

Q. How many did you say were discharged?—A. One hundred and twenty-five.

Q. What class of workmen were they?—A. Laboring men, loading barges.

Q. Laboring men, who load barges at the docks?—A. Yes, sir.

Q. All of them?—A. All of them.

Q. There were no railroad men proper—trainmen?—A. All hands on the piers were discharged.

Q. Did these 125 men include trainmen?—A. Yes, sir.

Q. Engineers?—A. Including engineers; firemen on what we call rat engines.

Q. Stationary engines?—A. They run up and down the piers.

Q. And handle coal on the docks?—A. Yes, sir.

Q. How many crews of those were discharged?—A. All hands.

Q. Were there many crews?—A. Yes, sir.

Q. Crews of several engines?—A. Yes, sir.

Q. How many?—A. To the best of my knowledge about five crews.

Q. What more have you in connection with the Elizabethport strike?—A. That was all. The men were discharged who refused to handle the barge of Eckley B. Coxe.

Q. What became of the men?—A. They remained there; went to their homes.

Q. What have they been doing since?—A. Nothing at all; still on the strike.

Q. They have not engaged in any other business?—A. Not to my knowledge.

Q. How many of those might have families?—A. Nearly all of them have families.

Q. How have they and their families been supported since that time?—A. They have not been in need of money or finances up to the present time. They have not required any finances from our organization.

Q. They have not received any assistance from your organization?—A. I understood they were not in need from the statement of their representatives.

Q. Do you understand they have been assisted locally by your order or other orders, or were they people who had accumulated sufficient, so they were able to support themselves upon their previous earnings?—A. They may.

Q. How do you understand it?—A. I suppose they may have been sisted locally and that they have made money enough for pressing need.

Q. Have they not been at work at something else?—A. Perhaps they have. I do not know that.

Q. You have told all you know about the Elizabethport strike and its difficulties?—A. Yes, sir.

Q. Do you know whether this vessel was loaded afterwards?—A. I believe it was.

Q. Other men were put in and they loaded the boat?—A. Yes, sir.

Q. Which would you have advised, to load that boat or not to load it?—A. Well, my advice would have been to the men, had I got there in time, to load the boat under all circumstances.

Q. What was your advice about it, officially or otherwise?—A. I had no advice to offer, because the strike was ordered and that took the case out of my hands.

Q. Who communicated that order to the men at Elizabethport?—A. Which order?

Q. The order to strike, the order to not handle that coal?—A. They passed a resolution, as I stated, at Shamokin, at our convention to give the Lehigh men all the support of our order, morally and financially. When the barge was put in there the men refused to handle it, the men at Elizabethport themselves.

Q. They refused, and based the refusal upon this resolution at Shamokin, or did they require and receive some other direction?—A. They received no written orders.

Q. They rested, then, upon this original resolution?—A. Yes, sir.

Q. Now, as an official of the Knights of Labor, will you tell me where you base the claim of the right of a Knight of Labor to say to employés of a railroad that they shall not load a certain man's barge or vessel when ordered to do so?—A. We first had the assurance of Mr. I. A. Sweigard that he would not ask our men to do anything that would paralize the interests of the Lehigh miners in bringing the Lehigh operators to pay the same basis as what the railroad company was paying. He never said anything to our men to the contrary up to the day the strike.

Q. You then believed and understood that you had Mr. Sweigard's approval in the refusal to handle Schuylkill coal to carry out the contest of the Lehigh operators?—A. Yes, sir. We believed the company would not ask our men to do it. And when we found we were coming in conflict with the common-carrier law when we had cars tied up here at Bridgeport and Philadelphia, we immediately ordered the cars to be removed.

Q. Then you changed the test really from Bridgeport to Elizabethport?—A. No, sir; this was long before the strike at Elizabethport.

Q. Did not you put the same test—that is, of your power to keep off combinations at the Lehigh mines—at Elizabethport which you tried at Bridgeport, where you withdrew from because of the law?—A. Yes, sir; Mr. Sweigard stated at the time that he did not know the cars at Bridgeport were Lehigh coal.

Q. This is coal of Lehigh operators you mean?—A. Yes, sir; he said those cars must be removed, as the common-carrier law comes in there. "All right, Mr. Sweigard," I said, "the cars will be removed by these crews; we do not want to come in conflict with the law of the land."

Q. Where is Bridgeport?—A. It is about 10 miles from Philadelphia.

Q. Which way, on the main line of the Reading road?—A. On the main line of the Reading road.

Q. Then, in the Elizabethport trouble, you do not claim that you there sought to exercise the right to dictate to the road to whom it should deliver its coal, but you rested on the assent which you supposed you had received from Mr. Sweigard to interfere with the delivery of coal for Lehigh operators?—A. Yes, sir.

Q. You have seen, or did you hear, the testimony given in relation to the Port Richmond trouble?—A. I have not seen any testimony. I read just a few outlines, not hardly two minutes, for I was too busy.

Q. Did you take part in the Port Richmond controversy?—A. With the officials of the company?

Q. Yes.—A. No, sir.

Q. Were you present at the time of that disturbance at Port Richmond?—A. No, sir; I was here.

Q. Then you have no personal knowledge of that trouble?—A. No personal knowledge.

Q. When did you begin to investigate and adjust the grievances between the employés and employers of the railroad company?—A From the formation of our convention.

Q. About what date?—A. About fifteen months ago.

Q. Now you may give us instances of the arising of grievances and what they were, and what was done with them. Commence at that date and come along down.—A. There is a great many; I will take up too much time. I can give you the most important.

Q. That is all we want; the petty ones we do not want.—A. The main grievance of our men at this end of the line was with officials of the company. William Dotts, dispatcher of the company, was a man who was considered the greatest tyrant in the State of Pennsylvania working upon a railroad.

Q. Who considered him so?—A. The employés of the company who were under him. We held a case over for at least six months, but finally we asked them to make an investigation. We went to the Fourth-street office and saw Mr. Sweigard. We told Mr. Sweigard about Mr. Dotts and what we intended to prove; that he was one of the greatest tyrants who ever worked on a railroad having charge of men; that we would also prove that he was a man who would not work to the interests of the company; that we would also prove that he was a man who was taking the company's employés to perform work upon properties that he was agent for, while he was general dispatcher of the company; that the Reading Railroad tools and property were used to perform the work; and that we would also prove that the Reading Railroad Company was paying for the labor performed, and different other counts; that he had imposed upon the business community, from Pottsville to Palo Alto, through the place he held as general dispatcher. We heard over one hundred and thirty-five witnesses, to the best of my knowledge, in the case.

Q. Where were these witnesses from?—A. Palo Alto, Pottsville, Saint Clair, Frackville.

Q. Who examined them?—A. Mr. Stackhouse, representing the company, was chief detective. I conducted the examination on behalf of the men.

Q. Was there but you two, or some one else associated with you?—A. There was a committee of three Knights of Labor present.

Mr. ANDERSON. What were the duties and work of a general distcher?—A. They have charge of the hiring and discharging of men, d general supervision over them, and the regulation of trains.

Q. In supplying coal cars to shippers?—A. Yes, sir; sends cars to e different mines.

Mr. PARKER. Who occupies that position now with the road here?— Mr. Priest.

Q. Go on now and state concerning this investigation.—A. We would o prove, we told Mr. Sweigard, that Mr. Dotts was allowing thieves the employ of the company who were collecting fares upon freight ins. That is one of the grievances, I believe, sir, Mr. Sweigard al-ed to in the testimony that covered so many sheets of paper. He ted to the committee that under the charges he would grant an in-tigation, and that he was to be the judge of the evidence; that if did not substantiate our charges some one was to suffer. We told all right; we would substantiate them, and that we thought it our to do it as employés of the company. We opened the case, and, said, we had these witnesses.

How long a time did you spend in this investigation?—A. I think at seven or eight days.

Well, go on.—A. We closed our case and took the evidence to Sweigard. He asked us to give him time to look up the evidence he case. We told him we would call for the decision. He said ys, you have established your case." If you desire, I will give a detail of the tyranny of this man and why the men objected to him. had one man by the name of Rauk, his residence is at the foot of this . His father was blown up by an explosion and the body went in the about 50 feet right within 2 or 3 feet of Mr. Dotts. His body was en to the roundhouse, and his son was working about a square off re he saw his father being killed. He went to the roundhouse and for an undertaker, and because he had refused to report off duty he excitement to go to his own father's funeral, he was laid off for weeks afterwards.

Q. By Dotts?—A. By Dotts.

Q. Can you give any other instances?—A. Misfortune followed the mily. It seemed Mr. Dotts had personal malice or spite against it. is brother had both legs cut off. It is a rule of our company in case an accident that two men would go with the person home or at least bring them to the hospital. The doctors did not deem it advisable move this young man, who died. This same young man was docked ven to a half an hour he was off, which was showed by the company's ooks. It was such an inhuman act that we brought Mr. Dotts on the itness stand. Mr. Stackhouse, the chief detective, said to him, "This itness makes serious charges against you, Mr. Dotts," he then repeated he testimony. "What have you to say to this statement?" Mr. Dotts, e wheels around to the witness, "John, do you mean to say that I id anything like that." "Yes, sir; Mr. Dotts, there is my statement at I swear before God is correct." He then said, "I have no recollec-on of it whatever. I believe you will have to leave it go down as evi-ence."

Q. Have you any other instances of his tyranny?—A. He left the office e next morning, and sent this witness up the road on his engine. He me in our office where we were holding the investigation, and desired make a statement and deny the infamous statement which he said r. Rank had made the day previous; that there was not a particle of uth in it. We asked him why he could not deny it while Mr. Rank s there yesterday, and he stated he was bewildered. We told we would give him every opportunity to deny it, but to bring Mr. Raul there, but he said Mr. Rauk went up the road. He sent this man the road about 15 miles, and then he came in to deny his statement

Q. Now strike on to some other tyrannical act?—A. We sho where he was a member of two or three churches here in Pottsville Palo Alto, and if employés owed any member of his church mo forbills, they had to pay that money immediately at the store o suspended a week or ten days according to the offense, no matter unjust the bill was. They had to pay that money immediately. On other hand we showed up how well he used to pay his own bills. drew Mr. Klein in—he was undertaker in Palo Alto—who produced books and showed where Mr. Dotts, while he was a church mem had owed him a bill of $40 for a coffin over his own child's body.

Q. Give any complaints from railroad men you wish to give, these are matters of personal contention between you and him.- There was tyranny in the above cases, and where men were tre more like brutes than human beings.

Q. What did he do?—A. He would holloa at the men, and he w discharge a man if he looked cross-eyed at him almost.

Q. Tell us instances in which he treated men in the manner of w you complain.—A. Well, in the instance of the Rauk case.

Q. That you have given—that is done with.—A. It is too lon give all the names.

Q. Is there any other instance you wish to give us now?—A. Ano tyranny was the discharge of a man named Mather because he ha ported a man who was collecting fares upon freight trains, and h ported the man to Mr. Price. He had caught the man who was col ing fares, and he said, "You have done that once too often, and catch you collecting fares upon this train I will report you. If you are caught at the business all hands will be discharged, and I l a widowed mother to support." He caught him again at the busi and reported the man to Mr. Price. Mr. Price turned the case ov Mr. Dotts to make an investigation. The following week he ma and this young fellow was laid off.

Q. How did he do it?—A. He got one of his men, one of his cro there, to irritate this young fellow, called him a "son of a bitch," young Mather was going to hit him with a pin, although he did not d Then the fellow reported him to Mr. Dotts and he laid him off for months.

Q. What was the effect of the laying off for four months?—A. did not earn anything.

Q. Did he live without going to work?—A. There is nothing el this country to do except work on the railroad or in the mines.

Q. Could not he have gone to a private colliery and gone to worl A. He was not a miner; he was one of the railroad men.

Q. There was no railroad work for him?—A. No, sir.

Q. Now come to Mr. Sweigard's action in regard to this. Wha he do?—A. Mr. Sweigard stated, "Boys, you have established case in all its details, but owing to the number of years of service dered by Mr. Dotts, I propose to give him an engine to run. I dc care to take the bread and butter away from his family. I will him of all power of having charge of men." He asked if that w satisfy us. We told him no; that the men demanded the final rem of William H. Dotts.

Q. What was done?—A. He was removed.

Q. Where did he go?—A. They put him down at Atlantic City, where we had no organization at all; where we could not reach him.

Q. At some other work?—A. As yard-master.

Q. Now as to some other grievances that were presented to you during this period of service?—A. Mr. Jones's case was another grievance, where one of the officials here at Pottsville had discharged him; where it was personal malice, he claimed, against him. The case was settled satisfactorily and the man was taken back to work.

Q. With Mr. Sweigard's approval?—A. With Mr. Whiting's approval.

Q. That was under Mr. Whiting's jurisdiction?—A. Yes; he is the general manager of the Coal and Iron Company.

Q. In both of these investigations Mr. Sweigard and Mr. Whiting did what your men understood to be just?—A. Yes, sir.

Q. Come to some other grievance now.—A. Then came the trouble with the Brotherhood of Locomotive Engineers and the Knights of Labor.

Q. State that.—A. We had an agreement entered into that in the line of promotion our men would get their turn and no discrimination would be made against them. A man enters as brakesman, he goes from brakesman to conductor, and from conductor to fireman on our engines. But Mr. Wayland, the assistant superintendent of the moving power, who was also a member of the Brotherhood of Locomotive Engineers, was showing favor to that organization and discriminating against the members of our organization.

Q. Was there an investigation?—A. Not at that time. We had the assurance of the general superintendent, Mr. Cushing, that he would draw up a circular; which he did.

Q. Was it issued?—A. Yes, sir.

Q. Have you a copy of it?—A. No, sir.

Q. Was the issue satisfactory?—A. Yes, sir; it was lived up to.

Q. That ended that?—A. Yes, sir.

Q. Go on with it, please?—A. Then there was the Auburn case; that is down the road about 20 miles.

Q. What was done in this?—A. Men were being discharged through some officials that held a spite against them. Mr. Cushing made the investigation himself, and was satisfied with the justice of the claim, and re-instated the men.

Q. His action was satisfactory to your order in that respect?—A. Yes, sir.

Q. Come to the next.—A. The Cousin case was the next. He was in the employ, and was discharged by Symes for personal reasons only.

Q. Who reviewed that railroad action?—A. Mr. Sweigard.

Q. What did he do?—A. Gave the man a position.

Q. Was the matter in that respect adjusted fairly?—A. Yes, sir.

Q. Next.—A. The Oswald-Hummell case in Philadelphia, being the case Mr. Sweigard referred to. We met Mr. Sweigard at Port Richmond in these two cases. We did not put it in as a grievance, but gave the company the right to discharge those two men.

Q. And their action was approved by you and yours by them?—A. Yes, sir; Mr. Sweigard was very well pleased with our course in the matter. He said, "I will now give these men a suspension of three months, and at the expiration of three months I will re-instate them in their former positions. Will that be satisfactory?" "Yes, Mr. Sweigard, we could not ask you to do anything more."

Q. Come to another grievance.—A. In the Kerns case, who was a young man in charge of a tower when he was on night shift. He was promised a day shift on Mr. Sweigard's approval. He was entitled to it according to the line of promotion. He was kept out of it by one of the officials. We brought the case to Mr. Sweigard and gave him a statement of the case, and it was settled.

Q. What next?—A. Then came the Sunday question; working Sunday.

Q. Make a statement of that.—A. Our men were working on account of the Lehigh strike; they were overtaxed, and were working on an average eighty hours without any rest or sleep.

Q. Do you mean continuously?—A. Continuously. Three or four days our men were working and had to catch sleep in their caboose, and had to catch a meal wherever they could. I went among the men and stated we would do all we possibly could, and show to the company their faithfulness, and show to the company also they guarded their interests, and they wanted to make every dollar that possibly could be made out of the Lehigh strike for the company. We did so; but after working four months in that condition we made a grievance, and had to ask the company to do away entirely with this Sunday-work business. That was all we asked.

Q. What was done?—A. It was not taken into consideration; the company asked us to lay the question over.

Q. When was that grievance presented?—A. About the 2d or 3d of December. They asked us to lay it over until the 1st of January, that they would give it due consideration.

Q. This is still pending?—A. The men by unanimous vote agreed to lay the question over so the company might consider it.

Q. Has your statement now covered substantially the grievances and their sources?—A. In the Schuylkill Haven Canal question we found it would not be advisable.

Q. What was the complaint upon that question?—A. The complaint was the canal at Schuylkill Haven; to open up navigation.

Q. From Schuylkill Haven up or down?—A. On the canal.

Q. What distance?—A. Going to Elizabethport.

Q. What did you find about that?—A. It would not be policy to do that. We dropped that case entirely.

Q. How many men were idle in this?—A. About three or four hundred.

Q. When did they become idle?—A. When the company does not use that canal.

Q. When was that?—A. Six or eight months ago.

Q. They became idle six or eight months ago, when the company transported all the coal business by railroad and left the canal?—A. Yes, sir.

Q. And you considered the question of presenting that grievance to the railroad company?—A. Yes, sir.

Q. Why did you not present it?—A. We dropped the case entirely because we did not think it advisable to force it upon them if it was not in their power. They were fighting to do away entirely with the canal.

Q. And the result of their success in that fight would be to do away with the canal and pour all the business into the railroad tracks, and in that you sympathized with the railroad sufficiently to act in accord with them?—A. Yes, sir.

Q. And did sympathize with the men, boatmen, to divide the business and get a part by water?—A. Yes, sir. The next grievance was in reference to forcing the company to live up to the law of the semi-monthly pay question.

Q. What was the grievance there?—A. That the men should be paid semi monthly.

Q. That the law requires?—A. Yes, sir.

Q. The law of Pennsylvania?—A. The law of Pennsylvania; yes, sir.

Q. What did the company do?—A. We waited upon Mr. McLeod stating the grievance of the men.

Q. What was the grievance; state what they complained of?—A. The grievance made to the executive board was that we should get the Reading Railroad Company to comply with the law.

Q. Did they do it?—A. No, sir; they paid our men monthly. Mr. McLeod asked us as a favor to drop that question entirely, that the company was about getting on its feet and they were doing all they possibly could and giving them all they could. He asked it as a personal favor to drop that case. We took a vote when in convention and decided not to press the company on the semi-monthly pay question.

Q. What was the next grievance of consequence?—A. Then our men were working on an average thirty-six hours previous to the formation of our convention. They only received a day's pay for it.

Q. They received ten hours' pay?—A. For thirty-six hours' work. They would work thirty-six hours and generally averaged from eighteen to twenty-two and only would receive ten hours' pay.

Q. What men were those?—A. The freight men, coal men, engineers, brakemen, and conductors.

Q. Practically all train men?—A. Yes, sir.

Q. It does not include track men in this class of workmen?—A. Yes, sir. We got an agreement that twelve hours would constitute a day's work and that the men would be paid over and above that time.

Q. The company adjusted that?—A. Yes, sir.

Q. Well, all other questions where you did not consent to postpone or withdraw the charge or lay to rest, the company acceded to your complaint and adjusted the grievances each and all satisfactorily?—A. Satisfactorily.

Q. And it was your business during this period to assist in this work?—A. Yes, sir.

Q. During that fifteen months what compensation have you received from the Knights of Labor or other labor organizations?—A. I received [illegible].50 a day for actual service from the Knights of Labor.

Q. Can you tell by the month or the total how much?—A. Some months I would not make $25. I have made from the formation of our convention up to the present time $165 to $167.

Q. That is from the Knights of Labor?—A. Knights of Labor.

Q. During the same period what amount did you receive from the railroad?—A. Not a dollar.

Q. Not during these fifteen months?—A. Oh, yes! I can say the last money I drew from the company was about six months ago, when I drew $3.05 or $3.06.

Q. That is the last you have drawn?—A. Yes, sir.

Q. And for the previous nine months how much did you receive from the railroad company?—A. I received on an average—my wages were [illegible]1 a month.

Q. You received on an average what?—A. There would not be a month I did not go under $5 or $7.

Q. On account of the time you labored for the Knights of Labor?—A. Yes, sir.

Q. Give us the amount you received from the railroad company up to the strike after you commenced occupying this official position in the

Knights of Labor.—A. It will be impossible for me to give that. never took notice of it.

Q. You do not know?—A. No, sir.

Q. In view of the evidence in regard to another man, it is my dut to ask you, this question and you will of course consider it as definit Have you, at any time during your service under the Knights of Labo received any pay from the railroad company for any time which yc have been employed for and have received pay from the railroad co pany?—A. Never; I never received one cent directly or indirectly.

Q. Then there is no point in this service at which your pay has ove lapped from one side to the other. That is have you received at an time any double pay?—A. I never received double pay. I drew $3.0 I had a couple of cases at Fourth street office, and I asked Mr. Swei ard where the paymaster was and he said at Third and Burks, if I am n mistaken. I told him that I had got a big month's pay, as I had g $30; speaking in an off hand way.

Q. What did he say to that?—A. He said, "How is that?" I to him that was all the money I made. "And did you not get paid?" believed I said no, I did not charge the organization for that. "Ma out a bill so as to have twenty-five days' service here." I laughed a I told him he would see me later. He asked me three or four times bring in a bill. I finally told him I could not do it; that I could n take money from the company and the organization at the same tim that I could not carry water on two shoulders. That ended the conv sation, though I do not believe it was as any bribe that Mr. Sweiga offered it.

Q. But he did it as a matter of good will to you to cover incident services for which you had not been paid?—A. I suppose so.

Q. Did you ever make out such a bill?—A. No, sir.

Q. Did you ever receive any payment the amount of which wou have covered any portion of the time you have been paid by t Knights of Labor?—A. Never.

Q. Then the matter stands as you have stated it?—A. Yes, sir.

Q. You spoke of the Reading Railroad furnishing only one-third the allotment of cars it should have furnished at Port Richmond, i understand you right. Will you explain what you mean by that a what that failure was?—A. This time December a year ago, we h four times the amount of loaded cars at Port Richmond piers, and tl year we had but one-third the amount and our men were to load the They commenced to wonder where this coal was going to that sho have gone to the Richmond piers. Then we made an investigation, a stated, and found that the coal was being shipped by Pennsylvania ca

Q. To go to help the Lehigh operators?—A. That is my suppositi that is all.

Q. As you have not stated the presentation of any other grievan in regard to tyrannical oppression of the men, I infer from that th were no complaints to be made of that?—A. The only men we had g eral grievances against was against William H. Berry. Mr. Lawler w the new superintendent upon the Mahonoy division. In coming to c division he said, "I am the new superintendent here, and I want to tr the men right. Mr. Barry is a valuable man to me; I have just be appointed upon this division and I do not know anything about it, s want to keep him in here. Rest assured I will supervise the men in t future and see they have equal justice. Drop this case for the time ing and see whether or not the men will not be treated fairly." W dropped the case, or rather held no investigation. Then we had t

Wayland New Kirk case. We did not ask for his final discharge from the company.

Q. About how much coal was there in the Reading system not shipped beyond Port Richmond at the time of the strike?—A. That I could not answer. The miners could, probably.

Q. You could not give an estimate of that?—A. No, sir.

Q. Where have you been since the strike commenced?—A. I have been here in Pottsville, sir.

Q. Have you been to Shenandoah much?—A. Only once or twice.

Q. So far as you have personal knowledge, have there been collisions between the men who struck and the men taking their places?—A. No, sir. There was a little of it up in Shenandoah, I understand.

Q. Your personal knowledge I want.—A. Nothing at all. We went into the railroad assemblies all along the line and left them strict orders upon that point, not to do anything that would place them outside the limit of the law; to take a conservative course. They did it up to the present moment, and will continue to do it.

Q. Now, I wish to know if, when you passed this resolution at Shamokin, you believed that you would have the support of the railroad officials and had their tested approval of it?—A. Yes; from the fact of our conversation with the different officials had led us to believe that the Lehigh Navigation Company were bitter enemies of the Reading Railroad Company.

Q. And from that fact and what Mr. Sweigard has told you, you believed that the company would not be dissatisfied with your taking that action?—A. Yes, sir. It was true that the men did not know much about the law and the common carrier question.

Q. What I want to get at is, whether, at the time you and your associates adopted that resolution, you intended to dictate to the Reading Railroad Company the manner in which it should perform its business?—A. We never for a moment wanted to dictate to the company.

Q. Since the strike, what have you been doing in relation to assisting the strikers who needed assistance?—A. Giving out financial aid.

Q. At what points?—A. From Pottsville to all parts of the State.

Q. Has Pottsville been the central point of your distributions?—A. Yes, sir.

Q. From what points, speaking in a general way, did the funds distributed come?—A. From all parts of America.

Q. How was it made up?—A. In sums from $5 up to $100 and $500. From every end of America and Canada.

Q. Were you one of the parties having charge of that fund?—A. Yes, sir.

Q. Can you give us the aggregate received from the commencement of this trouble?—A. I can not.

Q. Can not you now approximate it?—A. That question I shall have to decline to answer, from the fact it would be a weapon for the Lehigh operators, to know exactly the sum their men are getting up there.

Mr. CHIPMAN. How would it be a weapon?

The WITNESS. They would know the position they would be in and how long they could stand. Men there have been on strike five months.

By Mr. PARKER:

Q. Had you anything to do with the Lehigh miners?—A. Yes, sir.

Q. Over what territory have you assisted in distributing the contributions?—A. My section in the Lehigh was the Panther Creek Valley.

Q. Covering how many collieries?—A. My district was fifteen collieries; I think it was.

Q. Comprising about how many men?—A. Comprising about 9,500 men.

Q. And about how many of those men had families?—A. About 23,000 all told.

Q. Then the support needed was for about 23,000 persons?—A. There were four. There was David M. Evans.

Q. Where?—A. Stationed at Hazelton. John J. Merghan.

Q. Where was he stationed?—A. Freeland. Robert Muggs.

Q. Where stationed?—A. Mahanoy City.

Q. Did you four make distribution for the strikers and their families?—A. Yes, sir; the Lehigh miners.

Q. Had you anything to do with the strikers of the railroad in the Schuylkill system?—A. Yes, sir; when the strike was ordered.

Q. Had you anything to do with the distribution to the needy there?—A. Yes, sir.

Q. Did you distribute to them from the same funds substantially?—A. No, sir; it was a different fund.

Q. Who assisted besides those three in distributing to the Schuylkill Valley?—A. John Little, at Saint Clair, John L. Lee, who handles all the finances of the Schuylkill and railroad miners.

Q. Where was his location?—A. Pottsville.

Q. Who handles all the finances now, only those two?—A. Only two.

Q. Now, what relation in this distribution did you and John L. Lee have to each other?—A. I was subject to John L. Lee's order to distribute the finances.

Q. Did you keep your old relation as president and secretary, substantially?—A. Yes, sir; I kept the books, entered the amounts that came in from all over the country, which was given to me by John Lee.

Q. Did you not see the money yourself?—A. Yes, sir.

Q. Did you not know he gave the correct amounts to you?—A. Yes, sir.

Q. You counted, both of you, what money there was received?—A. As far as my knowledge of the case, yes.

Q. I want to know as to this, whether he could receive contributions to go to these people?—A. Not without my knowledge, certainly. I should know every dollar that went to the different quarters.

Q. What relation had John L. Lee to the distribution of the money in the Lehigh system?—A. None whatever.

Q. But you were connected with both?—A. I was supposed to be, and was secretary and treasurer of the relief fund of the Lehigh miners.

Q. Who was president of the board in the distribution of the Lehigh funds?—A. David M. Evans.

Q. He occupied the same position in that as Lee in the Schuylkill?—A. Yes, sir; we have sent there and been to headquarters and collected finances from the railroad employés, and funds do come from every quarter for the Lehigh men.

Q. Do they come in large amounts?—A. Yes, from all parts.

Q. What method had you of knowing what funds were received to aid the Lehigh men?—A. By constant communication with D. M. Evans.

Q. Did you see the money, as you did in case of the funds received by John L. Lee?—A. I did not.

Q. Your only knowledge as to the amounts and dates came from Evans in writing?—A. Exactly. It was not my duty, but their duty, keep a lookout as to whether it was $1 or $500 or $1,000 paid to Panther Creek Valley. They should take a receipt from the parties.

Q. How did finances come from Evans?—A. I have not received a lar from Evans. I gave Evans money, though.

Q. How could you distribute money you never received?—A. I re- ved finances from the Reading system to aid the Lehigh miners.

Q. That money you paid out to the Lehigh men came from the Read- ; men and the Schuylkill men?—A. Yes. The Reading Railroad ployés had passed a resolution in having to contribute one day's y to support the Lehigh miners while on the strike, but that money uld come to our headquarters, and after we had received it it was tributed all through the Panther Creek Valley, and where it was st needed.

Q. In making that distribution over the Lehigh Valley you acted ler John L. Lee?—A. Yes, sir.

Q. So that Lee practically directed as to the money paid to aid the igh strikers up to the period of the Schuylkill strike?—A. No, sir; had appointed a committee—to give you a better understanding of matter—we had a committee of three appointed to lecture and col- t finances. I was appointed secretary and treasurer of that fund.

Q. You were to remain here?—A. To remain here, but the other two he committee were to go out and lecture.

Q. Who were they?—A. John L. Lee and Charles Forney.

Q. Who was the other?—A. I was the other—John L. Lee, Forney, I myself. But I never left; I staid at our headquarters to receive ds. When I would receive $500, or thereabouts, I would immedi- ly forward it to the Panther Creek Valley.

Q. Have you kept separate accounts of the money going to the Le- h strikers and the money going to the Schuylkill strikers?—A. Yes, ; and it came out to a cent, too.

Q. Can you tell how much has been paid to help support the Lehigh ikers?—A. I believe it would be in the interest of the men who are strike not to tell.

Q. That is the reason. Now, do you refuse to tell?—A. Yes, sir.

Q. Do you refuse to tell the amount you have paid to aid the needy the Schuylkill strike?—A. In the Schuylkill strike we have taken in newhere around $8,000.

Q. You have paid out how much?—A. We have paid out somewhere und $5,600, to the best of my knowledge. I may be mistaken in the act amount.

Q. And this is all you have received for the benefit of the Schuylkill ike?—A. For the Schuylkill strike and railroad men. Money, though, continuously flowing in.

Q. Have you kept a separate account of your payments as between e strikers of the Schuylkill Valley and the railroad strikers in this lley?—A. No, sir; from the fact that every communication received tes, "For railroad men and miners who struck on the Reading sys- m."

Q. You have been assisting the railroad men and the mining strikers the Lehigh Valley and the Schuylkill Valley?—A. I have been cretary and treasurer of the relief fund of the Lehigh miners and as- tant in the Schuylkill.

Q. Your position has all the time been with the railroad?—A. I am ognized as secretary and treasurer.

Q. But from the railroad division of the strike?—A. Yes, sir.

Q. We have been told that somewhere during this strike there has been violence committed by men, beating boys and things of sort?—A. Beating boys?

Q. Boys?—A. I heard it through the newspapers, but I hav knowledge of it at all. I never heard of it.

By Mr. CHIPMAN:

Q. You spoke of John L. Lee; where is he now?—A. In Philadel

Q. Is he going to be down here?—A. He said your committee w not be up until Monday, and he wanted to go upon the witness st believe in reference to that voucher. He started down Saturday.

Q. Was the railroad strike occasioned by the difficulty at Eliza port or Port Richmond?—A. The railroad strike commenced at E bethport by the discharge of all hands.

Q. That was the occasion of it?—A. Yes, sir.

Q. You say you understood that the Reading was supplying th high coal consumers with coal?—A. Yes, sir.

Q. Was it not for the benefit of the Reading men to have Re coal sent to the Lehigh consumers.—A. In what way?

Q. I am asking you.—A. No, sir.

Q. As I understand you the Reading miners were getting bette than the Lehigh miners?—A. Yes, sir.

Q. And the coal sent to the Lehigh consumers was coal taken o the Reading miners at this better pay?—A. Yes, sir.

Q. You say Mr. Sweigard had made an agreement not to carr to the Lehigh consumers?—A. He made no agreement but a v agreement, an agreement made verbally. We always underst was so when dealing with the company.

Q. Did you understand Mr. Sweigard had any authority to ma agreement of that kind?—A. As general superintendent of the rai company; yes, sir.

Q. Did you understand under the law regulating a railroad com as a common carrier that he had that right?—A. No, sir.

Q. Did you understand he had any right to make it as a co carrier?—A. No, sir.

Q. You say Mr. Sweigard made this agreement verbally?—A. Ye

Q. Did you hear him make it?—A. Yes, sir.

Q. To whom?—A. Myself.

Q. Any one else?—A. I can not recollect how many there was ent at the time.

Q. When did he make it?—A. Some four or five months ago.

Q. Where?—A. In his office, Fourth street, Philadelphia.

Q. What were you doing there?—A. I was acting as secretary o executive board.

Q. You were acting in your official capacity in the Knights o bor?—A. Yes, sir.

Q. Did you inform him you were there in that capacity?—A always knew it.

Q. Will you tell what he said on that occasion, and what you sa A. It was the occasion of his sending a telegram to me about th being tied up at Bridgeport. He said to me, "There are cars at B port tied up, Cahill, that must be removed, and you must make remove them." I asked him if it was Lehigh coal. He knew no about it. He said that as a common carrier he must remove the and we must remove it. I was not well posted about the commo rier law and I consulted three or four men in Philadelphia. Th Bridgeport I told our representative men of the organization an

Pottsville men, and told them it was a law that had to be obeyed and the coal must be removed immediately, and it was done.

Q. How was it removed ?—A. By rail.

Q. Where was the coal sent to, do you know ?—A. I could not tell. It went over the North Penn Branch.

Q. What do you mean by that ?—A. That is one of the branches of the Reading. The North Penn is leased by the Reading Railroad.

Q. Where does it go to ?—A. It goes to Bethlehem and all over that section of the State. It is what we call local freight.

Q. It went to its destination on the cars ?—A. Yes, sir; I suppose so.

Q. Now at Elizabethport the coal had come to the end of its destination by the company's rails ?—A. Yes; that is the end of its destination.

Q. These trains of cars had taken it to Elizabethport ?—A. Yes, sir.

Q. That was Reading coal, mined by the Reading miners and paid for at the prices the Reading Company pay ?—A. Yes, sir.

Q. How much coal was there ?—A. Four hundred tons.

Q. How much coal altogether on the cars ?—A. Four hundred tons to be loaded on this barge.

Q. You say there were 400 tons to be loaded into this barge belonging to Coxe Bros. ?—A. Yes, sir.

Q. Who was Coxe ?—A. He was a mining operator in the Lehigh region.

Q. Were his men on the strike ?—A. Yes, and are now.

Q. Why did you object to their selling coal to Coxe ?—A. Because the barge belonged to Eckley B. Coxe.

Q. And for that reason you did not want the coal to be sold to Coxe?—A. Exactly.

Q. You did not want the coal to be sold to Coxe at all, whether to go in this barge or into anything else; that was your objection ?—A. Yes, sir.

Q. Because he was an operator in the Lehigh region and his men were on a strike ?—A. Yes, sir ; Mr. Sweigard and McLeod had stated previous to the loading of that barge——

Q. I am coming to that ; you say you made an agreement four or five months before with Mr. Sweigard ?—A. The agreement was made three months.

Q. At the time you got the coal at Bridgeport, what did he say about that coal ?—A. He said it was the common-carrier law and that the company would have to remove the coal, and we removed the coal, and had he stated to our board that he intended to load this barge, and expected any trouble about loading the barge, we certainly would have gone to Elizabethport.

Q. Did Sweigard insist upon that barge being loaded ?—A. Yes, sir.

Q. Why did not you load it ?—A. Simply because we believed we have a right to use any legitimate weapon to bring our oppressors to terms.

Q. The object was to bring Mr. Coxe to terms ?—A. Yes, sir.

Q. What difference in regard to the common-carrier law did you suppose existed at Elizabethport from that which existed at Bridgeport ?—A. The men at Elizabethport did not know anything about the the common-carrier law; or we would have taken the same stand and position with the Elizabethport barge as taken with the Bridgeport cars.

Q. You say that if Mr. Sweigard had told you the common-carrier law applied to Elizabethport as Bridgeport, you would have done the same ?—A. Certainly.

Q. You said something about a difficulty between the Brotherhood of Locomotive Engineers and the Knights of Labor. Are the engineers in this coal system formed into a brotherhood or association?—A. Yes, sir; they are formed into an association, the Brotherhood of Locomotive Engineers; they are all over the United States.

Q. I am asking you about your engineers here; are they in an association?—A. Yes, sir.

Q. What of?—A. Knights of Labor.

Q. Then there is an association, the Brotherhood of Locomotive Engineers, which prevails throughout the country?—A. Yes, sir.

Q. You have organized the engineers into assemblies, as you call them in the Knights of Labor?—A. Yes, sir.

Q. So that you come in collision with this different organization?—A. No, sir; we never come in collision.

Q. What was the difficulty or conflict you spoke of between the Brotherhood of Locomotive Engineers and the Knights of Labor?—A. The Brotherhood of Locomotive Engineers had on the main line about six engineers. We had a majority; the rest of them. I can not tell the number of them, but it was 200 or something like that. Some officials, Mr. Wayland for one, was a member of the Brotherhood of Locomotive Engineers, and wherever he could put a Brotherhood Locomotive Engineer on an engine; he did it in the face of the agreement that was entered into that each man would get his turn in the line of promotion.

Q. He did not belong to the Knights of Labor?—A. No, sir.

Q. Well, now let me ask you this. The Knights of Labor claim to control the wages and the matters pertaining to the industries with which they are connected, do they not?—A. Yes, sir.

Q. And the Brotherhood of Locomotive Engineers claim the same right?—A. Yes, sir.

Q. Each claim to control that business?—A. Yes, sir.

Q. And they come in conflict?—A. None really on the wage question; it is the same. A Brotherhood Locomotive Engineer man will get the same rate as a Knight of Labor to the best of my knowledge.

Q. They agree as to wages?—A. There is never any conflict.

Q. The conflict, then, would arise as to the allegiance which one would show to his organization, and which the other would show to his?—A. It was caused by some officials—Mr. Wayland.

Q. An official of the Reading Railroad?—A. He was in official employ.

Q. What was your position?—A. I was employed in the freight station delivering freight, in the wholesale department. Mr. Wayland was assistant superintendent of the motive power.

Q. Where a difference arose between the two orders Mr. Wayland went with his organization. That is the substance of that?—A. Yes, sir, and led our men to believe they were getting justice.

Q. Now, then, you say that they had agreed to promote the engineers and train-hands. You mean in your system?—A. Yes; I mean the Reading system.

Q. I believe under the Knights of Labor they agreed to promote them?—A. Yes, sir.

Q. The promotion to come after the usual manner?—A. Yes, sir.

Q. Who do you mean by that?—A. All the employés, irrespectively.

Q. They had agreed to do it; who?—A. The general manager.

Q. What general manager?—A. McLeod.

Q. When did he agree to that?—A. In the circular that was approved by Mr. McLeod and issued by Mr. Cushing about six or eight months ago.

You have not that circular?—A. No, sir.

Can you get it?—A. Yes, sir.

A strike was not occasioned by that, by any violation of that cir-
?—A. No, sir.

It was occasioned by the discharge of the men at Elizabethport?—
s, sir.

Why did the discharge of the men at Elizabethport occasion this
? You say they struck because they were ordered to load the
boat. Now do you hold that the company had no right to dis-
e a man absolutely from its employ?—A. We did not claim that.

Well, give us the reason of it.—A. The reason was, we claim it
premeditated design on the part of the company to inaugurate a
. While we can not trace directly that there was a combination
d into, yet on the face of it it shows there was premeditation on
rt of the company, for this reason: they put the barge in at Eliza-
ort to load, and the men refused. Five hours later, when every-
was quiet and working harmoniously at Port Richmond, they
a lot of non-union men to the grain elevator. The men never
dreamed of striking.

That is, at Port Richmond?—A. I am showing premeditation to
urate a strike. Men were brought there to work for 15 cents an
They refused, our men refused, to put cars in, and five crews
ischarged. After being discharged, and before the body of men
t Richmond knew there was any trouble, an arbitration board
o the Fourth-street office and says to Mr. Sweigard, "We came
w why the men were discharged." "Do you?" he says; "I will
o explanation, I want no explanation."

Were you with them?—A. No, sir; from a report of the commit-
the convention I am taking my information from. But I suppose
ve already heard, and I do not suppose it will be necessary to
. They did things like that to incense and aggravate the men to
Consequently there was a strike.

That was before the Elizabethport strike?—A. No, sir.

That was before Port Richmond had heard?—A. No, sir; there is
uble, you see.

Mr. Bennett has, as I understand his testimony on Saturday, said
e Port Richmond strike was occasioned by what took place at
ethport?—A. Probably it was that they did not like something
curred at Port Richmond; no.

Was that their reason, or was the Elizabethport occurrence the
ason of the strike of the men?—A. Yes, sir; and after Mr. Sweig-
d refused an interview with the committee, they came back and
uently a strike was ordered. The board was consulted and we
r. Sweigard, at least I did not for I was not there, and gave him
ht to discharge the five crews that he claimed were disobeying
They gave him that privilege and the strike was ordered off.

ou heard that report made by the committee?—A. That the
was ordered off?

o; that they agreed to have certain men discharged at Port
ond?—A. Yes, sir.

Was anything said about Sharkey?—A. Yes, sir.

Anything said about you?—A. No, sir. A telegram was sent me
ottsville to order all hands to work. Before I could telegraph
had a communication that the second strike was to take place.

Which did you call the second strike?—A. When the first strike was ordered off. When Mr. Sweigard said we could return to wo with the exception of the five crews, Sharkey, Bennett, and Hede.

Q. Do you know when that dispatch was sent there?—A. At 1 o'clo on the morning of the 27th.

Q. By the company's line?—A. Yes, sir.

Q. And what time did you get that?—A. At 11.40 the same day.

Q. It was received at the office there when?—A. It was received the office at 11.12, I believe.

Q. In the morning?—A. In the morning.

Q. How do you know that?—A. From the date of the telegram.

Q. The telegram showed, as it usually does?—A. Somewhere abo 11.05, as it usually does.

Q. They usually show the date of reception. You are sure about tha —A. I am positive.

Q. Have you the telegram still?—A. No, sir; I returned it to M Bennett for your committee's information in Philadelphia, and ask him please to turn it over to your committee.

By Mr. STONE:

Q. Mr. Cahill, you have been a member of the Knights of Labor o ganization about how long?—A. About thirteen months.

Q. You have been holding an official position in it?—A. Yes, sir.

Q. You understand the purposes of that organization?—A. Yes, si

Q. It extends throughout the whole country, the United States?—A. Yes, sir.

Q. Does it include any part of Canada?—A. Yes, sir.

Q. Has it been organized in foreign countries?—A. Yes, sir.

Q. Where?—A. In England.

Q. What is the purpose of the organization?—A. To advance the in terests of every workman in America, that he may receive a fair day' pay for a fair day's work; to create a healthy feeling between the em ployé and the employer; and to educate the working class to come int more closer ties of friendship.

Q. By community of effort; to advance the wages of the workmen b concert of action?—A. Yes, sir.

Q. You have a national organization?—A. Yes, sir.

Q. What do you call the officers who control the national organiza tion?—A. General master-workman and general executive board.

Q. Have they taken any part in this present strike?—A. That I ca not say. I believe they intended to take an active part, when the strik was ordered off by Master Workman Lewis.

Q. Mr. Lewis is not a national master-workman; that is so far as th miners. You have a national assembly?—A. Yes, sir; we have a grea many national assemblies.

Q. I was trying to get at the form of the organization. Mr. Pow derly is chief officer?—A. Yes, sir.

Q. And the executive board is the body of which he is president?—A. Yes, sir; of which he is general master-workman.

Q. How many comprise this national executive board of which yo speak?—A. Do I understand you of the general order? I believe ther is ten of them.

Q. What do they do?—A. They supervise the affairs of the gener order all throughout the United States, Canada, and foreign countrie I think I can, if you permit me, give a better illustration of it. W have what we call local assemblies, that come under the jurisdiction district assemblies.

Q. A local assembly is an assembly of men in a certain locality?—A. Yes, sir.

Q. They receive a charter to organize from whom?—A. From the general assembly.

Q. They elect officers of their own?—A. Yes, sir.

Q. Men are initiated into the organization through these local assemblies?—A. Yes, sir.

Q. A certain number of these local assemblies constitute a district assembly?—A. Exactly.

Q. What certain number, or how is it?—A. We have what we term mixed assemblies; then we have what we call trade assemblies. For instance, composed of trades. Now the laboring men are in what we call *mixed* assemblies. These districts come directly under the jurisdiction of the general assembly; and trade districts, a great many of *them*, have what they term a national organization, and all grievances arising in that trade will be referred to the national organization.

Q. Let me understand. You have then a national organization of miners?—A. Yes, sir.

Q. Which is within the national organization of the Knights of Labor?—A. Exactly; that is the idea.

Q. So that any grievance arising among the miners is referred to their trade organizations?—A. Yes; if a grievance arises in a miners' local assembly here in Pottsville and can not be adjusted, it is referred to the district assembly of the miners; if not adjusted there, then it is referred to the national organization, of which Mr. Lewis is a member. If it can not be adjusted there, it is turned over to the general order.

Q. And Mr. Powderly's board comes in?—A. Yes, sir.

Q. Have you a national organization of railroad employés?—A. No, sir.

Q. They belong to the general order?—A. Yes, sir.

Q. Mr. Lewis, then, is at the head of the main miners' assembly?—A. Yes, sir; in the United States.

Q. Well, in a difficulty then between the miners and their employers Mr. Lewis is the last officer?—A. Yes, sir.

Q. But still subordinate to the general board beyond him?—A. Yes, sir.

Q. He would have nothing to do with the strike between the railroad employés and their employers?—A. None whatever.

Q. Who would take charge of that?—A. The district assembly in which the trouble originated.

Q. If they can not settle it?—A. Then it goes to the general order.

Q. To the national executive board?—A. Yes, sir.

Q. Has the national executive board taken charge of the Reading Railroad strike?—A. That I could not answer. I could not give information upon that point, but I suppose they will.

Q. Now the purposes of your organization are to bring the workmen, you say, closer together, that they may study their wants and be enabled to enforce their demands?—A. Yes, sir; and I may say, to do away entirely with the word "strike" if they possibly can.

Q. Now, so far as the financial view of it is concerned, the principal purpose is to increase the wages, or to maintain the wages upon a proper basis? A. Yes, sir.

Q. Well, take the Reading Railroad men; now was there any dissatisfaction as to the wages those employés were receiving?—A. No, sir; we had regulated the wage questions all over the system and it was working satisfactorily.

Q. The employés of the Reading Railroad Company were recei satisfactory wages?—A. Yes, sir. There may have been a few pl we had not reached that there had been injustice done to them, b did not amount to anything.

Q. Well, do you know about what wages freight conductors wer ceiving?—A. Well, they got usually, freight conductors, about $ $65 per month.

Q. Brakesmen?—A. The same wages.

Q. Engineers?—A. Would receive—it depended upon the numb hours they worked. Some of our engineers would draw about $1 to month.

Q. Firemen?—A. Would draw about $60 to $70 and $80, accor to the number of hours.

Q. Trackmen?—A. Trackmen would receive about 10 cents an h

Q. And work generally how many hours?—A. Eight or nine hou

Q. Then they would receive from 90 cents to $1 a day?—A. We not that question regulated at the time of the strike.

Q. Then the strike of the railroad employés was in no sens account of insufficient wages?—A. No, sir.

Q. Were the men at Elizabethport who struck first, or who ref to load the boats, receiving satisfactory wages?—A. To the best o knowledge, yes, sir.

Q. Their strike or their refusal to load the boat was in sympathy the miners?—A. Yes, sir.

Q. At Port Richmond the railroad men of course were not compl ing because of wages?—A. No, sir.

Q. The complaint there grew out of the employment of men Taylor & Co. Do you know what Taylor & Co. were paying t men?—A. I do not know. We always labored under the impres that Taylor & Co. and the grain elevator were one and the same par that is, the Reading Railroad Company.

Q. I understand. Were the men whom Taylor & Co. had emplo satisfied with the wages they were receiving?—A. Yes, sir. Prev to the strike they were paid 30 cents an hour for loading.

Q. Were they Knights of Labor?—A. Yes, sir.

Q. Did Taylor & Co. discharge those men?—A. They discharged th and brought a lot of non-union men to work for 15 cents an hour.

Q. Do you mean to say that Taylor & Co. displaced union men were receiving 30 cents an hour by non-union men at 15 cents an hou A. I can not say, but my impression was that it was the Reading R road Company instead of Taylor.

Q. It was done?—A. Yes, sir.

Q. And that was done before the union men quit?—A. Yes, sir.

Q. They were simply discharged and then other men put in t places?—A. Yes, sir.

Q. Because of lower wages?—A. Exactly.

Q. Now, I want to get at that fact, for it is not improper to say Mr. Taylor makes an entirely different statement in regard to it. I do you know that is the fact?—A. That he put a lot of non-union there?

Q. I understand they had union men employed at satisfactory wa —A. Yes, sir.

Q. And that they discharged those men, seeking to replace them non-union men at less wages?—A. Yes, sir.

Q. Now, how can you establish that fact?—A. From informatio the men at Port Richmond: from representative men. Of my own personal knowledge I know nothing of it.

Q. What men told you that?—A. It was men employed in convention, coming from Port Richmond Assembly.

Q. Men discharged?—A. No. Mr. Henry I. Bennett gave it out that they brought a lot of men there to load the flour at 15 cents an hour, when the regular rate of pay was 30 cents an hour. That was our report.

Q. Was there any objection to the flour itself?—A. None whatever.

Q. And no objection to the goods they were handling, as the case at Elizabethport—nothing of that sort?—A. No, sir.

Q. The only cause of complaint against the Taylors was that they displaced your men who were only receiving fair wages by other men for less wages?—A. Yes, sir.

Q. Did the union men endeavor to prevent these non-union men from working, or disturb them in their work?—A. None whatever.

Q. What did you attempt to do?—A. Our leaders in Port Richmond had received a dispatch that the Elizabethport men were all locked out. They took into consideration that there was to be a general lockout all over the system. Then comes the non-union men into Port Richmond, showing preconcerted action on the part of the company.

Q. What I want to get at, instead of disturbing the men at their work you decided to stop work by not handling the cars, and the railroad men, in other words, came into the fight?—A. Yes, sir.

Q. And that precipitated the difficulty?—A. Exactly. They sent immediately to the Fourth street office and reported their grievance.

Q. How many men do you think in the Reading Railroad employ quit work all along the line?—A. At that time there were only two assemblies upon strike at Elizabethport and an assembly at Port Richmond.

Q. I think it was stated by Mr. Bennett that over 5,000 men quit?—A. At the time the five crews were locked out in Port Richmond there was only the Port Richmond assembly and Elizabethport.

Q. The question I am seeking to get, and there is various conflicting testimony as to the fact, is this: When the strike had attained its highest point, how many men, Reading Railroad employés were out—say on the 27th or 28th of December?—A. I will tell you in about one minute. To the best of my knowledge about 6,500 men.

Q. About what proportion or per cent. did that compare with the whole number in the employ of that company?—A. The employés of the system comprised in all the different departments about 13,500 and some odd employes.

Q. Well it would be some 40 odd per cent. of that?—A. Yes, sir.

Q. Are all those men out yet?—A. No, sir.

Q. How many have gone back to work?—A. A great many of them have gone back. One organization of Reading men did not go out at Auburn.

Q. I am speaking of those that came out, not those who did not?—A. The number of men on strike numbers, I guess, about 2,600 or 2,800.

Q. Who ordered these men out?—A. The convention.

Q. The convention of which you spoke to Judge Parker about?—A. Yes, sir.

Q. Well, the men did not all obey the order?—A. No, sir.

Q. Less than half of them obeyed it?—A. Yes, sir.

Q. On what ground did they refuse to obey a proper order from their organization? What reason did they give that they did not go out?—

A. They claimed if an order would come from the general executi board they would obey it.

Mr. ANDERSON. That is Powderly's board?

The WITNESS. Yes, sir.

Mr. STONE. Was this strike a legal one under the laws of your ganization; I mean the railroad strike?

A. Strictly speaking, it was not.

Q. Did they assign that as a reason for refusing to obey; those w did not go out?—A. Yes, sir.

Q. What would have been the legal method of inaugurating a strike

A. In one sense of the word, the legal way, according to the law of order, would be to consult with the general executive board before cipitating the strike. But in this case there was no other alternat for the men to do but strike, without consulting with the execut board. This was one of the exceptional cases where the men were c pelled, because we believed if they did not strike all the benefits we derived from organization in regulating their rates of wages would cut off from them.

Q. Would it not have been better to follow the proper and regu course?—A. It would; but as I said before, it was one of those exc tional cases where it became absolutely necessary.

Q. Do you consider that the cause of the strike was a suffici one?—A. Coming from our convention, yes, sir. We are subject to orders of our convention.

Q. You do not understand me. What I wanted to know is this: you consider that the cause assigned by your convention for calling men out was a sufficient one?—A. Yes, sir.

Q. Would you have advised the men to quit work?—A. Well, th would depend upon circumstances; I could not answer.

Q. Well, the circumstances existing under which they did quit?— I certainly would have moved heaven and earth to settle the difficul if it laid within my power; if not, I would certainly order off every ma subject to our orders.

Q. That is another proposition. What I want to get at is the dire statement whether there existed at the time the strike was ordered s ficient cause for the strike?—A. There was sufficient cause.

Q. How many men do you now say are out on the strike?—A. the best of my knowledge about 2,600 to 2,800 men; that is, railroad me

Q. As those men have determined—I see from these papers—to go with the strike, notwithstanding any settlement between the miners a the Coal and Iron Company, what can those men accomplish under t present condition of things by continuing this strike?—A. I am n prepared to say what they can accomplish.

Q. Well, suppose that funds could be raised to support them inde nitely, is it possible to compel the railroad people to treat with the men?—A. I have an idea the company will eventually treat with t men. It is our object to get our men back to work.

Q. Mr. Corbin, Mr. McLeod, and other officials of the road testify th under no circumstances shall any of those men be re-employed?— Yes, sir.

Q. So I understand from the testimony; and that they had all the m they needed now and had supplied the places of those who were o and that there was no necessity in employing additional men. Wh do you know about that?—A. He may have plenty of men; the r is running smooth now. But the plenty means they are working men they can get; but it takes a practical railroad man to run those trains.

Q. You mean practical engineers, brakemen; at what points?—A. All along the line. We have one of the most dangerous divisions in the United States—the Mahanoy division.

Q. Are the men now in charge of this line practical men?—A. They are not.

Q. Are the engineers who were previously managing the engines out of employment now?—A. Yes, sir.

Q. And all the experienced train-men are now out?—A. Yes, sir.

Q. Where do the engineers come from; the brakesmen and conductors and the rest of them?—A. They have the name of being engineers, whether they are or not I can not say. I know there are a number of accidents that have happened upon the Reading system in the past month or so, showing that they are not practical men. To illustrate that fact, we had an accident up here last week upon the Mahanoy division. They threw a half a dozen cars over an embankment.

Q. Well, that happens frequently under skilled management?—A. But I took notice as soon as the cars went over the embankment that the officials of the company burnt the cars up.

Q. What did they do that for?—A. So the public should not know about it.

Q. Do I understand you to say that accidents have increased very much since this strike?—A. I do.

Q. Are they very frequent now?—A. They are.

Q. Both passenger and freight trains?—A. Not passenger.

Q. The passenger trains are still under skilled management?—A. They were never called out.

Q. Take this particular case where the cars were burned; do you know the cause of that accident?—A. Incompetent men handling the train.

Q. Well, did the men cause that?—A. Yes; they caused that.

Q. I do not know anything about running an engine, but still if I got hold of a train and started with it I might take it through, but if it went off the track—if by some accident it went off, I could give you the cause of its going off the track.—A. I see what your question was. The real cause was in turning a switch which caused that accident, not knowing there was a switch there.

Q. Do you know those engineers?—A. Not personally; no, sir.

Q. Are they some of the old employes of the company?—A. Some are.

Q. Were they men who had had any experience in that line of business before?—A. Yes, sir; the men on the train now. I take notice it takes two on the main line to learn one man on the road. What will it be when their mines start up?

Q. I do not know: I am trying to find out. Now, so much for the railroad men. The purpose of the organization is also to increase the wages of the miners where it is a proper thing to be done. Originally the miners in the Schuylkill region or Lehigh region received, or have they practically received such wages as men could decently live on?—A. That question I can not answer because I am not a miner, and the representative miners will be here upon the stand and they can answer this question. All I can speak for are the railroad men.

Q. Suppose they have not been receiving any such wages, that is the theory upon which you acted, and you are demanding an advance?—A. Exactly.

Q. The advance is demanded because you think it is a just mand?—A. We think we have a right to a share of what we hel create.

Q. Well, the demand is predicated upon the opinion that it is a demand?—A. Exactly.

Q. Now upon what basis do you compute the justness of their mands?—A. Are you alluding to the mining question?

Q. To the miners?—A. That I can not answer.

Q. Well, I want to get at the *modus operandi.* Would you mal demand for wages that the business would not justify?—A. We w nothing but right. In the Schuylkill instance, in regard to the w question on the railroad, we did not ask more than the other railr in the United States were paying. We never asked one dollar n than any other railroad was paying. Indeed we went further with Reading Railroad Company so far as the wage question was concer When our shipping clerks on the Pennsylvania Railroad were get from $65 to $75 a month, Mr. Sweigard stated and Mr. McLeod st that the company could not pay the same rate as the Pennsylvani account of its financial circumstances. "All right; we will regu that question accordingly." We made an agreement that the ship clerks of the Reading road would receive $55 a month; $10 or $15 than other railroads were paying in the United States. Previous to organization we were getting $40 and $45 a month. A very import position. We have increased it to $50 and $55, according to the me of the men.

Q. You now work for them for this sum because the road was mak less money?—A. Yes, sir.

Q. But suppose the road was making a certain profit of 10 per ce say, upon its investment, would you then demand an increase of wa corresponding somewhat with the increase of profits?—A. That wo depend upon the agreement entered into, as to how long that agr ment would last.

Q. For instance, if the profit on the investment should net 5 cent. one year and should increase 10 per cent. next year, would then demand an increase of pay?—A. No, sir; not in the present con tion of the Reading Company. Our object was to see the Reading Co pany out of the hands of the receivers, and we kept our wage quest to the very lowest figure so as not to be a strain on the company.

Q. Now take the miners. The officials of your mining company t tify that, paying the present wages and the other incidental expense mining, that it was making nothing. So it is a losing business. If t should be a fact, would you demand an increase?—A. Certainly.

Q. Even if they are doing a losing business?—A. I should think I mean to say as far as the miners are concerned, while I have no thority to speak for the miners—there are things you can bring ou the mining question.

Q. You can not tell anything about that mining question?—A. sir. I understand they have got to pay 75 cents for a doctor.

Q. You think that your men worked eighty hours continuously?- That was by reason of the Lehigh strike in the Lehigh region. this is why this question came up; the grievance came up on the Sun question.

Q. Did your men get any additional pay for this immense work A. Yes, sir; they were paid for over hours they made, but since strike upon our system we have had a grievance that the men emplo upon the main line did not receive one cent for overtime.

Q. You say you sympathize with the purpose of the railroad to do away with the canal. Do you mean that?—A. I do not sympathize with the company. I did not think it was good policy for our organization to interfere in the matter. That is what I meant; and we dropped the case on this ground, the same as we dropped the case in the semi-monthly pay question required by law. It was a favor the company asked us, not to agitate that question, and we dropped it in the interest of the company.

Q. Well, now, what is it that keeps you railroad men from going to work?—A. Just from the fact that President Corbin says he will not hire any man who went out on strike.

Q. Suppose Mr. Corbin should open the doors to-day and invite you all to come back on the 27th?—A. Certainly we would.

Q. Without reference to the five crews?—A. I do not know, I suppose there would be an understanding about it.

Q. I see in a newspaper of some meeting of men who desired to interest themselves in an arbitration of the matter.—A. That is the question that is agitating the public, the strike question. Mr. Corbin claims there is nothing to arbitrate. If there is nothing to arbitrate, why, in the name of God, don't he grant an arbitration when it is in his favor.

Q. What is there to arbitrate? In other words, if you organize a board by an agreement to arbitrate, what would you submit to that board?—A. The Elizabethport question in the first place. We would then submit the Port Richmond trouble; we would then submit the radical element, the claims of such men as Sharkey, Hede, and all those people, and we would submit for arbitration the telegram that came to Pottsville ordering off the strike and why those men were not taken back according to the order stating that those reporting for duty on the 27th would be taken back, and why the officials disregarded the order of the general superintendent in not taking those men back. That is all we ask; we do not ask anything unjust or unreasonable.

Q. So you say then you would return to work without arbitrating these matters if Mr. Corbin would agree to it?—A. All we ask is to be taken back the same as previous to the strike.

Q. If he should now to-day say to you, you can now return to employment?—A. Now?

Q. If he said to these 2,600 men: "Take your places and go to work," would they go?—A. Yes, sir.

Q. Without having any matters definitely settled?—A. We had no question of wages at the time of the strike; none whatever.

Q. You consider this a lockout rather than a strike?—A. In one sense of the word; yes, sir.

Q. The men are ready to go to work?—A. I say the men are ready to go to work. As Mr. Sweigard stated to our committee when they left his office, "All hands can return to work with the exception of the five crews, Sharkey, and Hede." Had that order been lived up to, the second strike would never have taken place. The dispatch was delayed from Philadelphia to Pottsville nearly ten hours.

By Mr. ANDERSON:

Q. Do you consider that second occurrence a strike or a lockout?—A. A lockout, from the fact that 50 or 60 men could not return to work there at Palo Alto.

Q. You spoke in the earlier part of your testimony of tyranny practiced by the railroad officials. How long has there been complaint between the employes and the railroad officials; how many years back?—A. It was for years and years the men had to submit to this tyrannical treatment by the officials of the Reading Company in this section of the State, from the fact there was nothing else for them to do except to work in the mines or on the railroad.

Q. And as a result of that condition of things the men organized?—A. Yes, sir.

Q. Have they been in the habit of coming through committees, their chosen representatives?—A. Yes, sir.

Q. How many years past have the Reading Railroad officials been in the habit of receiving a statement of grievances through these committees?—A. For the past fifteen months.

Q. Before that fifteen months, how were these grievances presented upon the part of the men?—A. We never had an organization upon the railroad. We had it here among our miners.

Q. I was speaking of the railroad. Up to December 22 Mr. Sweigard had been in the habit of receiving your committees?—A. Yes, sir.

Q. And hearing them courteously?—A. Always.

Q. Has he ever used the language which it is stated he used to the committee on one occasion there, the time when Lee was present and some one else?—A. I was not there at the time.

Q. But ordinarily he has received them courteously and very kindly?—A. Yes, sir.

Q. Has he ever before refused to receive committees?—A. Never to my knowledge.

Q. During these fifteen months did not you and Mr. Lee represent the men in their dealings with the railroad as to these complaints?—A. Yes, sir.

Q. And during the time since you left the company you have been supported by the men?—A. I have always been considered an employ of the company.

Q. You stated at some period you received $2.25 or $2.50 a day during this time you were acting for the men?—A. Yes, sir.

Q. Mr. Sweigard was acting for the company?—A. Yes, sir.

Q. Can you tell us about what his salary was?—A. I could not.

Q. It is more than $2.50 a day?—A. I should judge so.

Q. There could be nothing improper to either interest; he is paid $12,000 while you are paid $2.50 a day?—A. I suppose so.

Q. Now I want to go a little back of what has been brought out in evidence, as far as I remember. From your information in going to the Lehigh region was the Lehigh trouble a strike or a lockout?—A. As far as I understand the Lehigh men made a demand upon the operators for an increase of wages. It was refused them, and as the result of that there was a strike.

Q. That was in September?—A. Yes, sir.

Q. And as the result the men are now out of employment in the Lehigh region, and the men who sympathized with them made contributions for their support?—A. Our men contributed one day's pay.

Q. You of course had a right to do that?—A. Yes, sir.

Q. Have you any reason to think that there was any understanding between the railroad which carries the Lehigh coal, I do not know the name of it, and the Reading people so as to assist the Lehigh people?—A. To outward appearances there was, but I have nothing to base the assertion upon.

Q. In fact the support which was contributed by the Schuylkill men substantially aided the men in the Lehigh region to continue the strike?—A. Yes, sir.

Q. And if this support could be cut off, then the Lehigh miners could be brought to the starvation point?—A. That is the point.

Q. Did your men so think?—A. Yes, sir.

Q. Was that the belief in their minds?—A. It was generally believed among our men that they were trying to starve the Lehigh miners into submission.

Q. And you considered it common cause?—A. Yes, sir.

Q. You had a right to do that under the American Constitution and the laws of Pennsylvania?—A. Yes, sir.

Q. Now upon another point. Can you give to the committee a fair idea, even if it be an approximate one, of the number of cars of coal or tons of coal which are carried over the Reading road from this Reading Coal Company, and how many less cars were coming down on the 1st of January, or after the 1st of January; say the 10th of January?—A. I can not; some of our railroad men will be called upon the stand and will give that information.

Q. Can not you have that data furnished us?—A. Yes, sir.

Q. One of the railroad officials testified, if I remember distinctly, that there was not a strike, and, in fact, that he had forgotten that there was a strike, and I would have been justified in inferring from that that there was just the same amount of freight carried over the road as there had been. We would like to have the facts upon that as to what this road is ordinarily carrying. Any information you can furnish of that sort we would like to have. I want to know something more about that Sunday question. About what time was that question raised with the officials?—A. Between three and four weeks before the strike.

Q. And the company at that time requested it should be laid over until January?—A. Yes, sir.

Q. Did you imagine there might have been any suspicion upon their part at that time of having trouble about the 1st of January?—A. Not at that time. We were led to believe that they would make arrangements to do away with the Sunday work business and hire more men.

Q. You stated that your men had an impression that this Taylor & Co. was really a part of the Reading Railroad Company?—A. Yes, sir.

Q. Was that a general impression upon their part?—A. The general impression.

Q. Can you give us the reasons upon which it rested?—A. We can not; we never knew. The business was transacted in the Port Richmond office.

Q. And the men there generally believed it?—A. Yes, sir.

Q. They believed that action of Taylor & Co. was substantially, though not formally, the action of the railroad company?—A. Yes, sir.

Q. If the railroad company had desired to do away with the men who were receiving 30 cents an hour, could they have taken more effectual method than taking in non-union men?—A. They certainly could not.

Q. I will not enter upon the question of the right and wrong of union and non union. What I am trying to get at is whether the impression on the part of the men that Taylor's concern was simply and really part of the railroad company, and whether Taylor & Co. and the Reading Company knew they were [illegible] under that impression among the men?—A. I can [illegible] Co. were under that impression.

Q. In other words, whether they knew that by putting non-union men to work it would lead the union men to quit or to start a disturbance?—A. They certainly did know.

Q. About that canal question. Can you tell us whether in the last two or three years the Reading Railroad Company has been using the canal for the transportation of coal, if they have, in large quantities?—A. Not in large quantities; no.

Q. Have you any idea how many men are employed on that? Would it be over a hundred?—A. Yes.

Q. Would it be a thousand?—A. Oh, no; two or three hundred, perhaps.

Q. Can you tell me in regard to the fight of the railroad to do away with the canal, what was that fight and why was it?—A. All my information is from the newspapers, that it was not paying the company and they wanted the State to take that canal entirely out of their hands and run it. They wanted to do away entirely with the canal.

Q. Why did they want to do that?—A. I can not tell you.

Q. That is just simply the statement of the papers?—A. Yes, sir.

By the CHAIRMAN:

Q. Do you regard the difficulty between the Reading Railroad Company and its employés as a strike or a lockout? What I mean to say is, do you regard the fact of the men being now out was caused by a strike or a lockout?—A. I certainly call it a lockout now on this end of the road.

Q. What about the other end?—A. I will explain that. When the telegram came to me it arrived at 11.40 in the morning, 27th of December, ordering all hands to resume work. The telegram was, "Strike declared off, order all hands to work." That was received at 11.40, ten or eleven hours late. In the mean time we had a notice posted at Palo Alto, which is a mile or two from here, that those who did not report for duty on the 27th could consider themselves discharged. Had that telegram come when sent from Philadelphia at the proper time, all of our men would have been at work. When I received the official notification from headquarters at Philadelphia, it was then 12 o'clock. When the men reported for work then, they were told their places were filled.

Q. About one-half of the railroad employés continued at work?—A. Yes, sir.

Q. And the other half?—A. Went on strike.

Q. Do you know what the half who went on strike did, or what conclusion they came to after they received this notice?—A. When we found that some 40 or 50 men, as I understand, at Palo Alto had been refused work, they came to our meeting in the convention, and we passed a resolution that no man should go to work unless all hands were taken back.

Q. Then these Palo Alto men who received notice in time to return on the 27th, they refused to go?—A. We did not receive notice.

Q. I understood you to say the notice had been posted up?—A. Yes; stuck up by the officials of the company.

Q. Did not the railroad men see that notice in time?—A. Yes, sir; but the strike was not ordered off. We had no official notification of it.

Q. We will go back now to my purpose. You regarded, then, that half of the Reading employés who continued and worked at the time as having done so because they got this notice, and the half who went on strike did not get it?—A. Exactly.

Q. So much, then, I understand. Now, how do you regard the miners of the Reading Coal and Iron Company being out of employment at this time? Do you look upon that as a strike or lock out?—A. The miners went out on strike upon the wage question.

Q. Without any connection with the railroad question?—A. Without any connection with the railroad question whatever.

Q. That is the 8 per cent. we have heard so much about?—A. Yes, sir.

Q. Please give us some reasons, if you have any, why you think the Reading Coal and Iron Company, which is really the Reading Railroad Company, refused to continue, under the reorganization, the 8 per cent. which had been paid by the receivers from the time the agreement was made up to the 1st of January?—A. I can not.

Q. You have no reasons?—A. No, sir.

Q. Any conjectures?—A. No conjectures. We have representative miners who will give you any information.

Q. You said something about the miners having another grievance besides the wage question. I understood you to say something about their having to pay 75 cents for a doctor. What was that, 75 cents a month?—A. That is in the Lehigh region.

Q. We are now concerned with the Schuylkill; we are going up to the Lehigh and talk with the people up there about their grievances?—A. A man has to pay 75 cents there a month for a doctor to the company.

Q. Does he have to pay anything here?—A. No, sir; not here.

Q. So there is no difficulty on that point here?—A. No, sir.

By Mr. STONE:

Q. Do you know why it was the company desired the matter to go over until January?—A. To take it into consultation. We thought we were working harmoniously with the company and we had an idea they would admit the justice of our claim.

Q. Why do you suppose they desired it to go over?—A. Now we suppose they desired it to go over to inaugurate a strike.

Q. Did you have any suspicion of it at that time?—A. Not the slightest; nothing.

The CHAIRMAN. I understood you to say, some time ago, that you told the men you expected they would have trouble?

The WITNESS. Yes, sir.

Q. You can not give any reasons why you expected trouble?—A. No, sir; but from the investigation I made at the Shamokin chutes I could not understand why the coal coming from the different Reading Railroad mines was taken from Shamokin and dumped. It was never known previous to the Lehigh strike.

By Mr. CHIPMAN:

Q. Where did the men come from whom they put in the places of the 2,600?—A. From all parts of the country, I understand.

Q. When did they come?—A. Well, they had agents out, the company, as soon as the strike was ordered.

Q. They had their agents out as soon as the strike was ordered?—A. Yes, sir.

Q. Not before?—A. Not before. They may; I can not answer that question for you; they may have done that. There was also some talk as to the color test question upon our system.

By Mr. STONE:

Q. When was that?—A. That was about six months ago.

Q. What was it?—A. Well, we had a little spurt upon that. That was at Port Richmond, but it did not amount to much; but we decided the question was a fair one in the interests of the company.

Q. What was the color test?—A. They examined the men as to their sight, in regard to their color blindness

Q. They examined them, as I understand, as we do navigators on the lakes and ocean, to see whether they can tell the color of lights. You have different lights?—A. Yes, sir.

Q. So they examine men who are track-hands, switchmen, engineers, etc., as to the color test?—A. Yes. sir.

Q. Did you object to that?—A. We objected to the method the railroad company was using in the color test.

Q. What was that?—A. We thought a railroad company wanted to use it to reach some active men in the organization when the preliminary examination was made. Our men objected until proper safeguards were placed around our men.

By Mr. PARKER:

Q. When these men went out at Port Richmond and Elizabethport, was not the movement then a strike?—A. Yes, sir.

Q. Then, if there is any lockout about it, it is from something that has arisen since?—A. Yes, sir.

Q. Have any offers been made recently to re-instate these railroad men, to your knowledge?—A. Yes, sir.

Q. What?—A. We have sent committees to try to effect a settlement.

Q. In passing your resolution at Shamokin and taking other steps in the strike, did you consider the rights and interests of the consumers of coal throughout the country?—A. In what way?

Q. In any way?—A. We took into consideration at our convention at Shamokin that we had the right to use, as I said before, any legitimate weapon to bring an oppressor to terms; that the railroads combined and that it became absolutely necessary for us to take some steps.

Q. Just come to particulars. What consideration did you give to the rights of the consumers throughout the United States in taking those steps for a strike and throwing the business of the company into confusion. What measures did you take and what consideration did you give before throwing the business of those two companies into confusion?—A. When we found the cars at Bridgeport tied up and the interest of the public was at stake, we ordered the cars to be circulated.

Q. Was that all?—A. That is all.

Q. Did you take that into consideration when you passed the resolution at Shamokin?—A. No, sir.

Q. Did you at any time consider the rights of consumers throughout the country?—A. No, sir.

Q. Now, another question. Do you not know that your railroad men and your mining men received their wages out of a fund paid by the general consumers throughout the United States?—A. Yes, sir.

Q. Then what right have you, as railroad men and representing railroad men, to bring on a general strike that would add to the costs of the consumer without considering the consumers rights?—A. From the fact that we know that while the general public are paying our wages, we are being robbed of it by the combinations and corporations.

Q. And because of the fight between you and the railroads you have a right to disregard the rights of the consumers: is that it?—A. Yes, sir.

Q. You do disregard it?—A. We do not.

Q. What have you done to help and protect the consumer in this contest?—A. We did it.

Q. What did you do?—A. To protect the consumer's interests?

Q. Yes, sir; what did you do?—A. We did it.

does not answer me. You must answer my question. If you
w, say so; and if you did anything, specify what.—A. We
anything except to take our own interests into consideration.
one of the doctrines of your organization that you, who rep-
laboring men, created the railroads and the freight handled
mmodities that supply commerce, something as Providence
things?—A. I do not understand your question.
stenographer will read the question [question was read].—
rtain extent it is.
is it upon that principle or article of faith that you base this
sregard the consumers, and to direct as to the amount of
l the control of the operations of railroading?—A. No, sir;

t do you base it upon?—A. We base it upon the fundamental
of our organization; to make it as short as possible, that we
ht to our part of the share we helped to create. All we ask
y's pay for a fair day's work. Give us that, and that is all
Ve do not believe the railroad corporations have a right to
rvation wages.
after that you did not pay any attention to it or care what is
it?—A. As the saying is, it gives a man enough to do to at-
own affairs.
is as far as you look?—A. Yes, sir.
ather the conclusions correctly, it has been the purpose among
ad and mining strikers to force the men oppressing you to
s by creating very high prices for coal or a coal famine in
y; how is that?—A. I am not prepared to answer that ques-

you answer it?—A. No, sir.
you say it is not so?—A. I can not.
you a knowledge of any fact that will prove to us, or tend
us, that Taylor & Co. are identified with the Reading Rail-
any in interest?—A. No, sir.
t 20,000 men are out now, or 22,000 in all have been out until
A. Yes, sir.
enty of those men went back what would you call them?—A.

week ago?—A. We certainly would call them "scabs."
t would you call them to-day?—A. They would be going back
er instructions of a joint arbitration board.
"scabs" in one sense are men who refuse to obey the orders
ganization?—A. Yes, sir.
sir, in one view of this, is it not a contest between different
aboring men?—A. No, sir. It is a contest of organized labor
ganized capital.
where is the unorganized labor in the contest?—A. It is not
the contest at all.
t comes in; it has come in in this case, has it not?—A. Yes,

the acts of violence and collisions are generally with other
aboring men than your own?—A. We do not do any.
you not there at Shenandoah?—A. Yes, sir.
u not know it is always a fact that when there are collisions,
between different classes of laboring men?—A. Yes, sir.
it not represent the contest of the different classes of labor-
-A. Yes, sir.

Q. Then I call you back to the question I asked you before. Do you assume the right to say, if your relations with these companies are broken, you have a right to stand between other men and this work?—A. I said we did not.

Q. That point you yield, then?—A. Yes, sir; every man has a right to work and act according to his conscience.

Q. Only you call him a "scab?"—A. Yes, sir.

Q. These 2,600 men who went out on the railroad generally had families?—A. Yes, sir.

Q. In your judgment what number of mouths to be fed would that 2,600 represent?—A. Well, I should judge about ten or twelve thousand.

Q. Have you known of sufferings among the striking employés of either company?—A. I have in the Lehigh region.

Q. No; of either of these companies? I think we had better leave the Lehigh region until we get people who know about that.—A. Of the Coal and Iron Company; no, sir.

Q. You think they have got along without suffering?—A. So far; yes, sir.

Q. Have you found that there is much surplus labor in the country?—A. Yes, sir.

Q. And that there are men ready, whenever a place is vacated, to take it?—A. Yes, sir.

Q. How do you expect to enforce a strike without violence when the labor market is in this condition?—A. We have prevented violence so far.

Q. How do you expect to enforce the railroad strike and have your men taken back without violence, when the labor market is in this condition?—A. That I can not answer.

By Mr. ANDERSON:

Q. When a brakesman engages with the company, what does he agree to do?—A. To perform certain duties, tend to the brakes, and see that the train is properly guarded.

Q. And for that the company agrees to pay him certain stipulated wages. When an engineer enters the employ of the company, what are the duties which he agrees to perform?—A. Such as the place of an engineer, running a train, knowing all about his engine and about the signals.

Q. And the conductor agrees to perform the duty of caring for the train?—A. Yes, sir.

Q. The conductor receives his orders from some higher official and communicates them to the engineer and brakesman?—A. Yes, sir.

Q. Do the engineers and conductors agree as part of their work to execute the duties of the company in hauling freight as distinct from the question of obeying orders?—A. Yes, sir.

Q. They obey the orders of the company?—A. Yes, sir.

Q. And if the orders are to carry such and such cars to such and such a place, they do that?—A. Yes, sir.

Q. It is the duty of the company, is it not, to fulfill its obligations to the public?—A. Yes, sir.

Q. It advertises it is ready to receive freight and transport freight and deliver freight?—A. Yes, sir.

Q. And all that the employés do is to agree to obey the orders properly communicated to them?—A. Yes, sir.

Q. A man has a natural right to agree to take work from a company
brakesman ?—A. Yes, sir.

Q. And he has a right to quit ?—A. Yes, sir.

Q. Now, is he interfering with any man's right when he himself quits
rk ?—A. He is not.

Q. Is it part of his duty to study the science of political economy;
t one of the things for which he is paid as a brakesman to deter-
e what effect his quitting work may be upon the ability of the com-
y to deliver freight at some place ?—A. No, sir.

Q. Is he paid to consider what might be the effect upon the State of
nsas or the city of Chicago if he should quit work ?—A. No, sir.

Q. Then it would be natural, perhaps, for the employés, when they
e looking at some particular grievance, something which they con-
ered to be a violation of the agreement of the company with them,
to study the whole question of political economy as we gentlemen
ongress are called upon to study it ?—A. Certainly not.

Q. They are not paid to do that ?—A. No, sir.

. It is not a part of their business ?—A. No, sir.

r. STONE. There was a large body of laborers in the country who
not belong to your organization and who, when your men quit work,
ld come in to take their places. You may know that that was a
.—A. Yes, sir; that is for certain line of work on the railroad.

. Is that true with reference to miners ?—A. That is not true of
ers. It is not every laboring man that can do mining work.

r. ANDERSON. I understood you to say that what your men did was
uit work. Did they in quitting work use any violence to prevent
other men from working if they wished ?

. Not in a single instance.

. Did I understand you to say that it was a principle of your asso-
ion, I think you said of the Knights of Labor as an organization,
they were opposed to and would not indorse any violence upon the
ts of others ?—A. Yes, sir.

. Is it not true that your organization, its principles and its prac-
s, so far as it can be maintained, is against violence ?—A. Yes, sir.

. You say it is the right of any man to obtain work to support his
ly ?—A. Yes, sir.

r. PARKER. Have not the rules of the Order been changed as to the
tice of authorizing strikes without the approval of the higher offi-
s since the investigation of the southwest Missouri strike ?

. Yes, sir.

. At the Milwaukee convention ?—A. At the Minneapolis conven-
our constitution was revised.

. Was there not one provision that strikes, as a rule, should not be
gurated without the approval of the national executive commit-
?—A. Yes, sir.

r. CHIPMAN. Let me ask you in this connection what organizations
abor refuse to affiliate with the Knights of Labor ?

. I have not heard of them.

Q. Do you not know ?—A. I do not of my own personal knowledge. I
e notice in the Lehigh.

Q. But throughout the country. I do not mean particularly here in
nsylvania, but in the country generally ?—A. Oh, yes; the Brother-
d of Locomotive Engineers and some of our trades unions.

Q. Are there not a great many trades unions throughout the country
o refuse to affiliate with the Knights of Labor also ?—A. I have heard
there is a great many of them.

By Mr. **Stone**:

Q. Have not lots of them as organizations of labor ?—A. Yes, sir.

Q. The point I want to get at is a little further in the line of Judge Parker's examination. There is a great deal of unorganized labor ?—A. Yes, sir.

Q. And your organized bodies come into competition with them ?—A. Yes, sir.

Q. Then how are you going to deal with the theory of your organization as to the maintenance of wages in the face of that opposition. How are you going to deal with it ?—A. Well, the theory generally of our order is to show to the unorganized men the benefits of organization.

Q. And if you had the laboring men of the country in a well equipped organization, intelligently managed, you think you would be able to influence the rate of wages ?—A. Yes, sir.

Q. But suppose that 50 per cent. of these laboring men are outside of these labor organizations, how are you going to deal with that class of men when they come to take the places at lower wages or existing wages when difficulties arise between the employer and your union men ?—A. The only way we can settle that question is to take the grievance to the polls and see we send representative men to our halls of legislature who will make laws governing the labor question and not in the interest of corporations, and they should have these laws lived up to strictly, and then we can command this unorganized labor throughout the country.

Q. Let us see about that; that enters the scope of our inquiry. What sort of law would you pass that would deal with the unorganized labor ?—A. We want any laws to deal with unorganized labor that can show to them the benefits which would accrue to them by organization.

Q. My question was that if 50 per cent. of the men were organized and 50 per cent. of them staid out, as Judge Tillman said, refused to go in, now the 50 per cent. who are in that organization can not control the labor market with the others ready to supply their places, can they ?—A. If we were given 50 per cent. of the workmen of this country in an organization, we can control the market.

Q. In what way would you contro lit ?—A. In every way; in strikes and in the wage question.

Q. That is the statement, but why do you say so ?—A. Because we would have our 50 per cent. bound together and the other 50 per cent. would be scattered broadcast over the country.

Q. They are all scattered broadcast over the country.—A. The 50 per cent. of organized labor would be divided into different lines of work. Now, in the 50 per cent. of unorganized there is a certain percentage that have no calling whatever.

Q. How much do you consider this surplus labor to be ? You stated to Judge Parker there was a great deal of surplus labor. Have you ever attempted to investigate that question ?—A. No, sir; I have not been long enough in the labor movement to investigate that. I should jadge, though, at least 60 per cent.

Q. Now, for instance, here is Taylor & Co., who discharged men who were receiving 30 cents an hour and employed non-union men at 15 cents an hour. You say you would agree to violence to prevent those men from working ?—A. No, sir.

Q. You hold that they have a perfect right to work for Taylor & Co. if they want to, but you think it is bad judgment to do so; but that is their own business ?—A. Certainly.

ow, these men refuse to come into your organization and be gov- y it?—A. Yes, sir.

he only way you could reach them in this particular case was to he railroad men in the quarrel, and these railroad men refused e the cars having freight belonging to Taylor & Co., in order to compel Taylor & Co. to employ union men again. Still, the nen and railroad men are discharged. Now, if non-union men employed to move the cars despite of the command of your or- at are you going to do; are you not at your rope's end?—A. omes a strike.

f course the strike comes, but non-union men go in and take the of the strikers and the work goes on?—A. Yes, sir.

hat I want to get at is, how are you going to accomplish the —A. That is pretty hard to answer.

ou stated you would go to the polls. Suppose you went into the ture yourself or into Congress yourself and had all the other rs exactly picked out by you, what sort of legislation would you -A. I said in regard to going to the polls that it was general. you stated it was 50 per cent. that were unorganized and 50 per organization, how were we going to get these men to come into zation, and I said by showing the benefits of that organization.

ut what sort of legislation would you pass to do that?—A. I could ctly give now the exact sort of legislation that is needed. I would e the hours of labor.

here are laws, I do not know how enforced in Pennsylvania, of that sort?—A. They have never been enforced.

ou mean to say the statutes of the United States in that respect enforced?—A. I certainly do.

n what instance?—A. In the eight-hour law.

s applied to whom?—A. To the corporations. We have got a the statute books in relation to the eight-hour law.

o you mean acts of Congress or State legislature?—A. Acts of '88.

CHAIRMAN. Under acts of Congress, by contract between em- and employé, they can make ten, twelve, or forty hours, if they day's work. It is only limited to eight hours when there is no ent as to what would be a day's work. It is a matter of contract hat would be considered a day's work. Under the United States less there is an agreement or understanding, it will be eight

By Mr. STONE:

ould you have a law passed which would forbid you making a t with me to do more than eight hours' work?—A. Certainly not. I have a contract as far as the railroad corporations are concerned certain number of hours would constitute a day's work, and I have a law passed that the men should be paid for all time over; , if we could get these laws to be lived up to.

ave you not such a law in Pennsylvania?—A. Not to my knowl- We have a very good illustration of that fact to-day upon the g system in regard to agreements entered into with non-union you men term them. I call them "scabs."

conceive there might be a law regulating the number of hours in ence of a contract. That is all right, but suppose you had such hat eight hours should be a day's limit and suppose the law was d so far as that is concerned, yet your Knights of Labor want an advance in wages for eight hours per day, and the employer refuses it and a strike occurs and the unemployed labor goes in and takes your places at the old wages; can you pass a law that will affect that question, that will keep these men from working?—A. No, we could not. Then we would be coming in conflict with the Constitution of our country.

Q. That you do not want to do?—A. No, sir.

Q. What theory then have you as to how you are going to control wages, regulate wages, as long as such a large per cent. of the men remain outside of your order?—A. We have no theory to advance at all until such time as we can show to the unorganized men throughout the United States the benefits of organization, and then, after we show them them the benefits of organization, if we can get enough of our men to go to our legislatures where our laws are made governing the people of the State.

Q. The organization, in order to be effective, in your judgment, should embrace pretty much all the laboring men, and until that occurs the organization can not be entirely effective?—A. The different labor organizations will certainly sooner or later have to come in in order to reach and fight this battle of labor against capital. There is no question about that, and the day is fast arriving when it will be.

Q. You mean when the labor organizations have the same general principle and there is harmony of interest?—A. Yes, sir; on some points on the wage question there will be a difference of opinion.

By Mr. CHIPMAN:

Q. You speak about legislation, State legislation; to what legislation do you refer; what do you expect and what is your plan?—A. I have not any plan at present. As I stated I have not been long enough in the labor movement to look into the legislation about the wage question.

Q. How will you determine the wage question; by the legislature fixing the wages?—A. I would ask that the legislature would legislate upon the number of hours and fix the wages of the workmen.

Q. They have done it?—A. Not in the State of Pennsylvania.

Q. I do not know any State in the United States that have not a certain number of hours for a day's work. They may shorten their hours from eight to ten. Is that one way?—A. There are different ways. I would compel these corporations or firms or manufacturers, as I said, to conform to a certain number of hours constituting a day's work, say ten, and I would have another law compelling these corporations to pay their employés over and above that time.

Q. But by the law of these States they are compelled to do it?—A. Here is one of the greatest States in the Union, and here our corporations can violate our State constitution and nothing at all is said of that.

By the CHAIRMAN:

Q. Would you deprive a free man of the right of making his contract to work ten or twelve hours for a day's labor to support his wife and children, or lay up something for a rainy day, if he wanted to do it? You would by the law of the land?—A. I certainly would. I would have a law passed as far as the corporations are concerned.

Q. Well, take a young man who has no family; take a married man who has a family; would you deprive that married man, who loves his wife and children, of the privilege of working more hours to be called a day's labor than you would that young man?—A. I certainly would; from the fact that I should believe nobody but an insane man would want bind himself to work thirteen hours when under the law he was only liged to work ten hours.

Q. I will ask you a question or two about Taylor & Co., and I suppose the committee will be through with you. What business were aylor & Co. engaged in at Port Richmond when the strike commenced?—A. I believe they controlled the grain elevator.

Q. Have they not workmen in connection with the elevator?—A. I ave heard that.

Q. Do they sell flour and grain?—A. I can not answer the question.

Mr. PARKER. Do you know, either directly or indirectly, that men ve been arrested frequently and repeatedly in, Philadelphia and the burbs for interfering with the men who took the places of the ikers?

I have heard of three or four men being arrested.

. Do you know that there have been a good many more cases than ?——A. No, sir; you will find in a labor organization, as you will find United States, a radical element.

You are not answering me now.—A. That radical element is in all of society.

By MR. ANDERSON:

oing back to these grave State questions these gentlemen were you about, in regard to what legislation would you pass; would t first desire laws compelling corporations to haul freights at able rates?—A. Certainly I would.

You would desire laws preventing them, as owners of railroad from gambling in stocks?—A. Certainly, I would; yes, sir.

If they were competing with each other, obeying the law, then they be competitors in the market for their work?—A. Yes, sir.

If you could settle the corporation question by bringing them under laws of the land, as all other citizens are brought under, then is it probable that the legislation would reach and result in raising the ges of the men, although they might be in competition?—A. I should ink so; yes, sir.

TESTIMONY OF W. H. LEWIS.

W. H. LEWIS, sworn and examined.

By Mr. STONE:

Q. Where do you reside?—A. At the William Penn Colliery.

Q. Where is that?—In West Mahanoy Township, in this county.

Q. Are you an operator there?—A. I am superintendent.

Q. How long have you resided there?—A. Fifteen years.

Q. How long have you resided in this county?—A. Forty-eight years.

Q. What is your business?—A. I am a mining superintendent, manager of a colliery.

Q. What is that colliery called?—A. The William Penn Colliery.

Q. Whose property is that?—A. The property of Edward and George Brook.

Q. Has it any connection with the Reading Coal and Iron Company?—A. None whatever.

Q. Are Messrs. Brook private operators?—A. Yes, sir.

Q. Is it a corporation?—A. No, sir.

Q. Have they any connection with a carrying company?—A. None whatever, only furnishing tonnage to the carrying company.

Q. No interest in that?—A. None at all.

Q. How many men have you employed?—A. About eight hundred that is men and boys.

Q. How many boys?—A. Well, I should say about 300 would be boys

Q. Of what ages?—A. Ranging from twelve to twenty.

Q. What do these boys do?—A. These boys inside attend to door and drive, and some load the coal. Outside they drive, pick slate, and do various other little things. Some are engineers.

Q. Some boys are engineers?—A. Yes, sir.

Q. Over what road do you ship your coal?—A. Over the Reading Railroad.

Q. What are your duties as superintendent?—A. To mine the coa and sell it.

Q. And to see to the management of the business?—A. Everything entirely.

Q. Have you any familiarity with the mines of the Coal and Iron Company?—A. Nothing at all further than what I would know as a general miner what they are.

Q. Do you know anything about the amount of coal they mined in 1887?—A. About 6,000,000 tons I saw it stated.

Q. Do you know how much they mined in 1886?—A. No, sir.

Q. Do you know how much coal they had on hand the 1st of January, 1888?—A. I do not; I suppose there were 200,000 tons on hand.

Q. Of that company I am speaking.—A. Of that company and shippers over that road. I do not think at Richmond they would have coa on board.

Q. Do you speak of a personal investigation of it and with knowledge?—A. Just from what I saw and heard of it, and what I judge of the freight. When they stopped the moving of coal they could no accumulate any coal.

Q. The demand was absorbing the supply at that time?—A. Yes sir.

Q. Was the supply abundant to meet the demand?—A. I think i did. Of course the Lehigh region was out, but a large tonnage taken out was coming from other regions, and I think when they stopped in January the trade was well supplied.

Q. Has there been any shortage so far as the demand is concerned since January?—A. I think there has been considerable shortage, that is in what we would call the Schuylkill region on the Reading Railroad It was sometime before the Wyoming people could get coal into Philadelphia, and until that time there was considerable shortage. After that I do not think there was a shortage.

Q. Has there been a material advance in the price of coal since January of this year?—A. Well, take December. Since December the highest advance I know of is 60 cents.

Q. You mean that the price has advanced 60 cents per ton since December?—A. Yes; over the December prices.

Q. Over the best December prices?—A. No; January was the highest coal prices there were.

Q. You mean in January coal was 60 cents higher than in December?—A. Yes, sir.

Q. Has it gone higher than that in February?—A. Not to my knowledge.

Q. At what prices were you selling coal in December?—A. Stove coal $3; lump and small, $2.20; pea coal at $1.50, and buckwheat at $1.

Q. Take the average coal; what do you call that, stove coal?—A coal is not an average coal; that is the highest-price coal on the

t is the highest priced ?—A. The very highest.

ery well, that will illustrate all the rest.—A. Stove coal is more and in winter time in the city trade than the other sizes, and that the consumption of the other sizes.

hat is, the great masses of consumers use stove coal ?—A. The mass of consumers would come down to the pea coal.

n what way is that used ?—A. The poor people who are the great f the consumers, I presume, would buy pea coal.

or domestic purposes ?—A. Yes, sir.

ery well; what is it, then, that makes stove coal so much higher ?

Being a higher grade of coal, and being sought for by people who e to pay for it.

here has been an advance since January for stove coal ?—A. The t advance there was. I guess there may have been a little sold, have sold about 400 or 500 tons at $5; say 500 tons out of 9,000 The balance we sold at $3 to $4; say at $3.50.

Vell, 50 cents to $1 a ton ?—A. Hardly that, because there were few cars, 400 or 500 tons that were sold at that price. It was little spurt in the market. I do not think it held two days.

What was the usual difference ?—A. Sixty cents.

n stove coal ?—A. Yes; on stove coal.

re you fixing these prices at Schuylkill Haven ?—A. At the col- ow.

Now, has there been a corresponding advance in pea coal ?—A. much. I do not suppose there was from 25 to 40 cents difference price of pea coal taken at the collieries.

o you sell your coal at the colliery ?—A. Yes, sir; all coal is now the collieries.

Who do you sell it to ?—A. To whoever wants to buy it.

But you have general customers ?—A. Well, we have Philadelphia and trade on the line between here and Philadelphia.

Does the Reading Company buy of you ?—A. Sometimes they do they have no coal for themselves. We sell to anybody that wants uy.

Is it a large purchaser ?—A. Not since it has been in the mining ness itself. Sometimes it buys a little coal.

Can you tell what the advance on the price of stove coal has been the consumer in the retail market since December ?—A. I guess it s been 50 to 75 cents, and some has been sold at an advance of a dol- r. I do not know of any coal being sold, but I saw some advertised at 7.50, that would be $6.50 to $7.50, but I do not think there would ardly be much sold at that price.

Q. What has been the advance in pea coal in the corresponding pe- iod ?—A. Along there; say 40 cents.

Q. You mean to say to me that the consumer in Philadelphia, the poor people whom you say mostly use pea coal, have been only required to pay 40 cents a ton more since the strike than before ?—A I can not say that was the case, because the poor people buy a great deal by the bucket. I do not know what they pay, but I think the average advance in Philadelphia would not be over 40 cents on pea coal. For instance, nearly everybody makes contracts in the spring, selling their coal by months, and when the coal advances they hold you to your contract very strictly, and it is very hard to tell what they pay.

Q. What has been the occasion of this advance in the price o the consumer?—A. The scarcity of coal.

Q. The scarcity of coal?—A. Yes, sir.

Q. Is there an existing scarcity of coal?—A. Not to-day; it is reverse to-day. We have had more orders countermanded si Friday than we have had in six months.

Q. There is a surplus of coal on hand?—A. They anticipat would be a surplus if the collieries started up.

Q. By ordering the strike off?—A. Yes, sir.

Q. In view of the prospects of the return of these men to wo Yes, sir.

Q. Then the advance or decrease in price is based upon a pro and not upon existing facts?—A. Most assuredly. If I thought were not going to work and nobody working but myself, I do n I would sell coal very low in Philadelphia or anywhere else.

Q. What did you say your coal sold for in December at your col A. Three dollars.

Q. When it was worth $3 at your colliery, what would the s bring in Philadelphia?—A. One dollar and eighty cents more; th be $4.80.

Q. The tolls would be added?—A. Yes, sir; the tolls.

Q. You say you sell your coal at the colliery to wholesale dealers having yards in the city?—A. Yes, sir.

Q. So that the coal costs that dealer $4.80 delivered at his ya Yes; if it is a convenient yard. Some yards have 25 cents tra pay, but the average yard has no trackage.

Q. Do you know anything about the amount of coal on Schuylkill Haven at the beginning of this strike?—A. I do not there was 6,000 tons on hand. All that would be on hand wou transit; that would be all there could be.

Q. Are there any store-houses?—A. There are none at all; th place to store coal anywhere. At Reading, though, there is wh store fuel for the engines. That is the only place I know wh thing can be stored. Anthracite coal is so bulky you can not s

Q. Was the strike actually a source of advantage to the oper A. None whatever; it was a big drawback to us.

Q. To you?—A. Yes.

Q. How to you?—A. We had to stop.

Q. Did your miners stop?—A. Our miners, people workin ground, stopped. It becomes very expensive to keep a collier dition, to pump the water out, feed the mules, and keep what have there; it makes it very expensive to work. For every to you hoist you have got to hoist five tons of water, and you hav hoist that water whether you hoist any coal or not, which make expensive.

Q. Most private operators, though, continued at work in gion?—A. No, sir; not in the Reading system. I guess we ma time than anybody else.

Q. Why did your men strike?—A. That is something I can swer. They had everything they wanted. Our men wanted but parties came there and insisted they should not work, and c they listened to them, and the next day they would listen to was a seesaw game, backwards and forwards.

Q. As you had conferences with them, what did you underst grievances of the miners to be?—A. They had no grievance at

Q. Do you mean to say that your men went out and quit wo out any reason whatever?—A. Yes; but I understand the general strike was on account of the reduction of the 8 per cent. They had been getting a surplus of 8 per cent. for four months before the 1st of January, and they wanted it continued.

Q. Had you been paying the 8 per cent.?—A. Right along, and sometimes as high as 12 per cent. or 13 per cent. on top of that, making 21 per cent.

Q. How did that happen?—A. Based on the price of coal.

Q. An advance in the price of coal, you advanced the wages a certain percentage?—A. Yes, outside of the 8 per cent.; we gave the 8 per cent. and a percentage besides, the $2.50 basis percentage.

Q. Did you decline to pay it?—A. No, sir; I told the boys to go ahead, we would pay that. They did go ahead until some parties who came there stopped them. They came in the middle of the night, while I was asleep.

Q. How long were your men idle?—A. We worked seven days in January, and we were idle the balance of the time.

Q. Are you working now?—A. Yes, sir.

Q. When did you begin again?—A. The 1st of February.

Q. How did you happen to begin then?—A. I suppose the men had more confidence in me than they had in their leaders.

Q. They returned to work?—A. Yes, sir.

Q. Was there any advance?—A. Upon the 8 per cent. they are working to-day. When the other men go in they are to work on the same terms as anybody else.

Q. You have been paying the 8 per cent.?—A. Right along, and whatever coal would bring; we paid 23 per cent. last month.

Q. Do I understand now the men get more than the 8 per cent.?—A. They are now; but if there is a general resumption they lose the 8 per cent. and get what the balance will be paid. In fact, in January we paid 23 per cent., but February we may run down to 15 or 16 per cent., depending upon what collieries they draw.

Q. Can you afford to pay the 8 per cent.?—A. If I was the only party who shipped coal I could, but when the others come and cut the prices down, the wages have to follow the prices of coal.

Q. At the present prices of coal could you afford to pay this additional 8 per cent.?—A. With that extra percentage we could not.

Q. Your coal is sold now at your mines at $3 per ton?—A. Yes; about 14 per cent. of it.

Q. Well, I am speaking of a particular kind of coal?—A. Yes; some coal sold down as low as 70, 80 cents and $1. Twenty per cent. of it goes at that price, so that cuts us down on our average.

Q. What would be the average price of your coal?—A. Say $2.50 a ton.

Q. Now what is the average freight?—A. The average freight would be $1.80 at Philadelphia.

Q. What is the freight on the cheapest quality of coal?—A. There is an allowance of 15 cents on pea coal.

Q. A drawback of 15 cents?—A. Yes, sir.

Q. Is that the only drawback you get?—A. There is one drawback on coal; I believe furnaces have a special rate on coal, what is called furnace rates or lower rates.

Q. When your coal is selling at an average of $2.50 a ton, how much has that coal cost you loaded in the cars?—A. That would cost us about $2.40.

Q. You mean to say you have been making 10 cents a ton on your coal?—A. Yes. We have gone down, way on the other side.

Q. On the average mined?—A. On the average last year—we are not afraid to show what we made—we made 19 cents a ton.

Q. How much coal did you mine last year?—A. Three hundred thousand tons.

Q. Have you any objection to telling us the value of your plant?—A. My plant is worth $800,000 to-day. It cost a good bit more.

Q. Is that much actual cash in it?—A. Yes; over that. You can not put up a plant for that much money that will ship a thousand tons a day.

Q. You shipped 300,000 tons?—A. Yes, sir.

Q. Do you use a great deal of this coal?—A. We use the refuse mostly.

Q. For what?—A. For heating.

Q. In what business?—A. In pumping water. A man buys coal from us when he can buy it cheaper than anywhere else; but if he can buy coal 25 cents cheaper anywhere else, he telegraphs us he can not take it in.

Q. When you sell coal for $2.50 a ton on the basis going in force to-day by reason of the return of the miners to work, how much can your miners make?—A. Our own miners now you are speaking of?

Q. Yes, sir.—A. They make from $2 to $4 a day.

Q. How do you calculate that?—A. There is a great difference in miners, some men can not make wages, others make a good deal of money.

Q. How do you pay your men?—A. By the wagon or yard. Some men are paid by the yard.

Q. You pay a man so much for so much coal he mines?—A. What he does.

Q. How many tons of coal can an average miner in your mine take out in a day?—A. That depends upon the work. If he has flat work, he will take out about 5 or 6 tons. If he has a good pitch, he will go up as high as 30 tons. It depends upon the pitch of the vein. Some places it runs almost flat; other places it is plain shoveling into the wagon.

Q. How much does a miner make upon the basis of 30 tons?—A. That price is scaled down and we do not pay a man the same for getting out 30 tons as the man who gets out 5 tons. His price is fixed different from the wagon work and the freight work. Where a man gets out 30 tons, his price is so much less than the man getting out 5 tons.

Q. How much of the time are your miners engaged in work?—A. Say eight hours, some will work ten hours.

Q. Each day. Now, take the year 1887; was there any period of enforced idleness?—A. None at all.

Q. Did you have 800 men at work during the whole of last year?—A. Two hundred and ninety-three days.

Q. That is the number of days you worked during the whole year?—A. That is all there are, taking Sundays out. That is about all the time that can be made.

Q. You say now, on an average in your mines, each miner can take out 5 tons of coal?—A. Well, I could not say how that will average up. You see we work different veins, different pitches. I could hardly tell where our most coal would be coming from. But that would be the lowest. There is no man I do not think but what runs as much as 6 or wagons, say 6 wagon loads. That will run about 10 tons; that is, to ro men.

Q. For the two men ?—A. Yes, sir; the two miners.

Q. If each miner could take out 5 tons per day on an average, in 300 ays he would take out 1,500 tons ?—A. That I do not know.

Q. Well, 5 times 300 is 1,500 ?—A. Yes.

Q. And 800 miners take out 800 times 1,500, they would take out ,200,000 tons a year ?—A. But you are taking 800 miners. Take 300 iners and see how that runs. There are 800 men and boys we had employed, but I do not suppose over 200 are miners.

Q. Two hundred of them are miners ?—A. Say 200.

Q. I misunderstood you. I asked you how many miners you had employed ?—A. You asked me how many men there were employed. In speaking about miners cutting coal, there is a laborer, door boy, engineer driver, etc.; goodness knows what.

Q. You say your miners make from $2 to $4 a day ?—A. They made last year from $2 to $5.35, I think was the highest they made.

Q. Can you tell me how much you paid in the aggregate for miners ast year ?—A. I can not tell all, but I know some of the men got as igh as $5.36, and I do not think they got below $4 at any time. These re extraordinary men, and that is something you do not come across ry frequently. They are extraordinary miners and had extraordinary ces to work in.

Q. Do you think your men would average $3 a day ?—A. I think the ers would average $3 a day. We have not any miners making $2 a . If a man does not make $2 a day we would say they are not fit ine coal.

Q. Then these men make anywhere from $50 to $75 and $80 each th ?—A. Well, there would be an average of nearly 22 to 24 days. n you can hardly tell that way, because it is pretty hard for a miner ork more than 20 or 22 days a month. If he works 24 or 25 days thly it pulls him down very quickly.

Q. Do they take "lay-offs" ?—A. A good miner will take a "lay-off" fix himself up.

Q. What were your average laborers receiving: about what wages? A. They were receiving, say, outside boys would average 90 cents; side men would average $1.25 a day, not taking mechanics, they go higher, $2 to $2.25 a day.

Q. Have your wages been higher than these others ?—A. I do not nk they are. I would be very sorry to say so.

Q. You mean to say you would be very sorry to find they were ming coal cheaper than you were ?—A. Yes; I do not want to have other ople mining coal cheaper that I can.

Q. You think that the miners, then, in this region, in their work, have en able to make $60 to $80 a month ?—A. I think so, right along.

Q. And outside laborers $30 to $40 ?—A. You see laborers and men orking outside get $1.25, say, a day—that is, good men—and around e breaker we have men there over eighty years of age that we would ot expect to pay them as much; they are getting pretty near $1 a day.

Q. What do they do ?—A. They stay down there and the coal passes rough their feet, and they select the coal. There was good feeling wards the men, and as long as they reported for duty we felt like eeping them on. As we have made money out of them, we do not ant to push them away.

Q. Have they been a long time in your service ?—A. Yes, sir.

Q. How long?—A. Some since the colliery started. That has been fifteen or twenty years.

Q. And been good, faithful men?—A. Very good.

Q. Morally?—A. I think in the fifteen years I have been with them they have been a very nice class.

Q. Have not these men been able to lay up a competency?—A. Miners generally, some of them get ahead, and a man who works hard does get to be beforehand.

Q. Are these old men eighty years old who have been faithful in their employment, and moral men as you say for so many years, compelled now absolutely to work day by day for a living?—A. We have only one man at that age that I can cite now. He has two sons, but he would rather go to work than stay at home. I guess his sons could keep him very nicely.

Q. Men receiving $70 and $80 a month with regular employment there every day they want it, ought they not to be able to lay up something?—A. They do. The miners built Shenandoah, which is worth six or eight millions.

Q. Does that belong to the miners?—A. I think it should be if they have their own.

Q. Have they got their own?—A. Some have. The saloon-keepers own part of it, you know, and that does not belong to them. There has not been a dollar gone into Shenandoah except through the miners.

Q. What I want to get at is, whether these men are accumulating anything, and if they are not, whether it is their own fault?—A. The best are. They have men living there who own three or four houses in Shenandoah. They had one man I guess who was worth $25,000.

Q. Who was that?—A. T. W. Davis.

Q. Did he make that mining?—A. I think the best part of it.

Q. But that is exceptional?—A. Yes, that is a great exception, but it is nothing. We have got a number of men who are worth four and five and six thousand dollars.

Q. Do you live near Shenandoah?—A. I live within a mile and a half of it.

Q. How large a place is that?—A. About 12,000 people.

Q. It has an assessed value of $6,000,000?—A. I do not know, but I should judge so by the way the property looks there.

Q. You say that was built by miners?—A. I do not believe there was $50,000 brought there outside the miners, and one-half of it has been burned over and rebuilt.

Q. And the miners comprise the great body of the population?—A. There is no manufacturing going on except the mines.

Q. Now, the men who actually work in the mines there, do you suppose they own this $6,000,000?—A. They ought to own it all, except what they gave away.

Q. In regard to what they have given away and thrown away, that is their own business and foolishness, but I want to know as a matter of fact, have these men all homes pretty much?—A. Well, no; I do not think they all have homes, but a large majority, I believe, of the miners own Shenandoah, outside of the business portion of the town. A great many miners have gone into business, and done well.

Q. And generally speaking according to information, you think the number is considerable?—A. I think so.

Q. Is it owing to the general characteristics of that particular locality?—A. I do not think there is any place as well situated as Shenandoah, in that valley.

ow do you account for that?—A. Shenandoah coal lies very
ly for a man to mine. He has an advantage in that valley.
is a high-priced coal, and has always been worked in preference
' places.
nd the men there have been able to make more?—A. I think
ve.
u made last year 19 cents a ton on your 300,000 tons of coal.
ou had any trouble with your shipments? —A. None at all.
id you ever ship any coal much?—A. I guess we are the largest
al shippers anywhere.
understood you to say that you now sell most of the coal at the
—A. Did you mean shipping it? Oh, of course the coal is sold
ines, but of course the carrying company have to furnish trans-
n. We sell it f. o. b.
u say you have no drawbacks except in the one instance you
d?—A. Until the strike we had no drawbacks at all during the
This strike came on in January and that is the only drawback
had.
u ship over the Reading Railroad?—A. Altogether.
they discriminate in any way between other shippers?—A.
t I know of.
is not a fact that the number of individual operators has very
decreased in the last few years?—A. Yes, sir. Well, some time

it not attributable to the fact that these large corporations
sorbed this business in conjunction with the carrying business,
ng the two?—A. I do not think so.
what do you attribute it?—A. To the low price of coal.
it the mining corporations have largely increased all the time?—
prices?
; the mining operations?—A. Well, they had to take the col-
ff. When the individuals could not mine any more, the com-
ould have to come to the rescue and take the colliery. 'No in-
l could afford to run them very long and lose money.
ave the corporations been losing money?—A. I think they have.
u think they have been mining this coal at a loss?—A. At a

o you think that is true, as a rule?—A. Well, it has been as a
do not think there has been any company that has made money
g coal five consecutive years together.
ey make money in transporting it?—A. I guess they do. Some
do, and some of them, I guess, it is pretty close.
would not make any difference to a company, such as the Read-
pany, for instance, whether it made its money by transporta-
by mining, so that in the aggregate it made money?—A. Well,
ding, as shown there, has not made any money.
nce it has been in the hands of the receivers?—A. Well, I think
previous to that they did not earn anything. I used to own a
ock in that, so I have got evidence. I have never got dividends.
at you are on the right side?—A. Not very much.
e fact that the railroad company is in the hands of the receiv-
s not prove that somebody does not make money out of it?—A.
they can not mine coal and sell coal in Philadelphia for the

'hy did they?—A. To compete against the others.

Q. But all the others were losing?—A. It was a competition as to which should lose the most, I guess. The coal trade is one of those peculiar things that keeps a man living and always expecting better things, because, whenever you get into a colliery you can not get out. If a plant was worth $800,000, and I moved away and let it alone, it would not be worth $50,000.

Q. You made money last year?—A. Yes, we did; if you call 19 cents making money.

Q. Well, it is about 6 per cent. on the investment?—A. That is not making money on a risk like that. That is an investment of which you have nothing in a few years more. Ten years more and that investment is gone.

Q. You mean it will be exhausted?—A. Yes, every year; every ton of coal leaves so much less; that reduces the plant so much less every year.

Q. Is your plant less valuable this year than last?—A. Most assuredly it is.

Q. The Reading people held that their lands were more valuable?—A. They have been thinking very strangely, then.

Q. What do you include in your plant?—A. There is a hole there of 300 feet; there are two holes 900 feet deep, that have got to be pumped out continuously. Then there is a mile and a half undergroundage that has got to be kept up; 600 acres that have got to be kept up; and keeping it dry—that is the most expensive part of it.

Q. How much land did you say?—A. Six hundred and forty acres, which we lease.

Q. You do not own it?—A. No, sir; we pay a royalty of 44 cents for every ton of coal.

Q. Who does that belong to?—A. The city of Philadelphia.

Q. That is some of the Girard land?—A. Yes, sir.

Q. You have leased that for a given number of years?—A. Yes, sir.

Q. How many holes have you in the ground to make shafts?—A. We have one shaft, two slopes.

Q. Have you any pumps?—A. I told you we have.

Q. How many?—A. Nine.

Q. How much did each of these pumps cost?—A. They cost $3,000 apiece.

Q. Twenty-seven thousand dollars. Well, in what way have you expended $800,000?—A. In sinking that shaft and putting up the improvements which constitute the miners' hoist and a large braider four more feet in it. This shaft goes down 300 feet. It is 30 feet thick and 5 feet wide.

Q. Would that cost anything like $500,000 or $600,000?—A. I think it would.

Q. Did it cost you the larger part of $800,000 to sink the original shaft?—A. In sinking and developing the place and putting into condition so that you could ship a thousand tons a day, you have got to drive a good bit of gangway.

Q. You include part of the $800,000 expenditure in the cost of driving gangways?—A. Yes, sir; putting it into condition to ship coal to make it profitable.

Q. What was the expense before you began to realize?—A. Well, [illegible] that would be it.

Q. Then you had expended somewhere about $800,000 before you began to take coal out?—A. Yes, sir; that is, any amount of coal. For [illegible] years there we did not ship more than about 30,000 tons a year.

Q. Are you mining now about the full capacity of the mine?—A. s, sir.

Q. Are you shipping as much coal as you can mine?—A. Yes, sir; at se prices.

Q. How long have you been doing that?—A. Fifteen years.

Q. Did you just before this strike?—A. We mined as much as we uld. That is, we mined 300,000 tons of coal in 293 days, which takes rd work.

Q. Has there been any limitation put upon you?—A. Who limits us?

Q. I understand the men limit themselves?—A. There has been no nitation put upon us.

Q. Have you been at any time a party to an allotment system?—A. ell, I do not think we have. I do not know whether we have been a rty in any allotment system. I was one of those in favor, when there as no purchasers, to stop shipping.

Q. There was such a system?—A. I do not know of any such system.

Q. You say during your fifteen years' experience as an operator that u have not known anything about an allotment system?—A. I do t know any more than I have seen through the papers. I was a mber of the Coal Exchange, and the Coal Exchange did not know any.

Q. Where was that Coal Exchange?—A. Philadelphia. When the rket was flooded we would stop mining coal, whenever we could not the coal.

Q. Then you have been in the habit of stopping them?—A. Yes, rs ago we used to stop them.

Q. That brings about what might be termed enforced idleness on the t of the men?—A. No more than what was wanted could be sold, of course if the cars were filled we had to stop.

Q. How long did you stop last year?—A. None at all.

Q. The year before?—A. No, not the year before.

Q. We have been told by some witnesses, by Mr. Whiting—you w him?—A. Yes, sir. Did he say he did this year or last year?

Q. No; that there was an allotment system in force at one time.—As railroad men they may know that. We know nothing of it.

Q. That there was an understanding throughout all this region that re should be so much output and it was distributed among the ion?—A. I think there was such an understanding. For instance, would estimate what the market would take, and then apportion ch each could ship and divide it among the region. Some would fer to ship in the summer and some would prefer to ship in the ter.

Q. Then you were a party to it?—A. No, we were no party to it; the trouble was everybody could go ahead; there was no restriction. not know anything more than that. Instead of putting coal into w York and filling it up, we would keep the cars until they wanted it then move it.

Q. What about the allotment?—A. No more than an estimate of the siness a mine could do, an estimate of how much coal the market uld take, and conclude to mine so much. For instance, the market uld take 30,000,000 tons, we would put in an estimate of 34,000,000.

Q. Who apportioned your part?—A. I think the railroad companies that.

Q. The coal operators?—A. No, I never suffered that way.

Q. Did they apportion to you the amount you might be permitted to e?—A. No, they never told me if they did so.

Q. Then did they limit you in the amount of cars you should have?—A. No. For instance, if we would have cars standing loaded on the road, they would say, unless you unload those cars we can not give any more. We could not unload without we found a purchaser, and sometimes it was pretty hard to unload them.

Q. If you could not find a purchaser what did you do?—A. If I could not sell the coal I did not want the cars.

Q. I want the fact as to whether you were limited in the number of cars?—A. I do not think we were.

Q. Could you get all the cars you would demand?—A. Oh, no; we could not.

Q. Why?—A. Because they were loaded, that is why there were no cars. I could always get cars when there were empty cars, and I could get my proportion of them.

Q. If you had cars loaded, and could not dispose of the coal, what object would you have in wanting to load any more cars?—A. That I can not answer. I did not want them if we had our coal loaded and had no sale for it; we did not want any more cars.

Q. I understood you to say there were times you could not get all the cars you demanded?—A. No; that is, I could not dispose of the coal. I could get the cars when I disposed of the coal.

Q. Has there ever been a time when you could not get the cars you demanded?—A. No; not for any length of time. Of course, there might be break-downs on the road or something of that kind.

Q. But there was no trouble from any other cause?—A. No; I do not think there has been.

Q. What do you know about the Reading Company ordering lock-outs for three days in the week?—A. I do not know about the Reading Company. I know the coal exchange did that, but I do not know the Reading ever did.

Q. Tell us about that?—A. The coal exchange, when it could not sell its coal, would meet together and resolve not to work for three days until they satisfied themselves the cars were unloaded, and when they were they would go to work again.

Q. Now, I ask you whether, when such things as you have just spoken of were in force, if there were not individual operators who wanted to work and wanted cars, and the company refused to give them?—A. Some of the parties were corrected that way.

Q. Who was corrected?—A. I suppose there were individual operators who wanted to take advantage of their neighbors and run when nobody else was running. I think we had an operator up here at one time that tried to do that. I do not know how he succeeded.

Q. How is the price of coal regulated now?—A. It is regulated by the different parties having coal. They go in and offer it for sale. I do not know there is any concert of action. The Reading Company has their price; the Lehigh Valley has their coal to sell; and so have we and the Lehigh Navigation has their price.

Q. Are the prices all the same?—A. No; the Lehigh Valley is sometimes 25 cents higher than we are, sometimes lower.

Q. How can they put their coal higher than yours?—A. I do not know; that is what we would give a good bit to know.

Q. I could see how they could sell lower than you.—A. That would work both ways.

Q. But how would they manage to sell higher?—A. For instance, in the Philadelphia market, they would sell the New York market higher.

Q. Of course they might make an individual sale.—A. For instance, when the Western trade is very lively, they will fix their price for New York and Philadelphia perhaps 25 cents higher than they have been getting orders from the West, perhaps. If the West was low, they may go in 25 cents lower. They have to knock around and hunt up trade hemselves.

Q. They issue circulars fixing the prices of coal?—A. Yes, sir.

Q. Is not that done by combination?—A. I do not think it has been done in the last year by combination.

Q. Prior to the last year?—A. Prior to the last year there was a consultation.

Q. Of sales agents meeting together to fix the prices?—A. They would consult each other and see what profit they could make, and see if they could not agree together to fix their prices.

Q. What is the distance from your colliery to Philadelphia?—A. Say 20 miles.

Q. What is the distance from the nearest colliery?—A. The nearest olliery will be 97 miles, I think. We are under the average distance. Most of the tonnage comes from above us. Say 130 miles will be a fair average for Philadelphia coal.

Q. Is there any difference in the amount of tolls from the different ollieries?—A. There is from the different regions; for instance, the Wyoming region.

Q. From the Schuylkill region?—A. No, sir. I do not think Shamokin now pays any more than we do. I think it is the same. The Wilkes Barre region is 5 cents, Wyoming 10 cents more.

Q. The nearest colliery, you say, is some 90 odd miles. How far is it from the farthest colliery?—A. One hundred and forty-five miles.

Q. Which makes a difference, then, of something like 50 miles?—A. Yes, sir.

Q. And they charge no more for hauling coal 145 miles than for 97 miles?—A. I do not believe they do.

Q. Who owns the farthest mine?—A. I guess they do; that is, the Reading Company. The Preston would be the farthest mine.

Q. Who else is engaged in operating in this region?—A. There are number of small men around here who ship 5 or 10 cars a day. They e Norris & Brown, the Draper Coal Company—that is a fair shipper, Taylor & Co.——

Q. Are these the Taylors that had this racket at Port Richmond?—No; they had nothing to do with that. The Thomas Coal Company; n it goes into the Shamokin region; there is quite a number up there the different roads.

Q. Are any of these individual operators farther from Philadelphia than you?—A. Yes.

Q. Who is the farthest?—A. Well the Shamokin men would be the rthest away.

Q. How far from Philadelphia?—A. Yes; they must be 25 miles far-r away than I am.

Q. Do they pay the same price?—A. They used to pay 15 or 25 cents more a ton than we did. Then they made all tolls the same price.

Q. Do they ship their coal beyond Philadelphia?—A. No, sir.

Q. Do they ship any to Elizabethport?—A. No, sir.

Q. All that coal goes to Philadelphia?—A. It is retailed in Philadelphia.

Q. Do you know what the company charges for shipping from the mines to Elizabethport?—A. No; I guess the tolls are the same as to Richmond, $1.80. I do not know what they are, but I think they are the same. We consider Elizabethport and Port Richmond as the same in shipping.

Mr. CHIPMAN. Which is the farther?

A. Elizabethport.

Q. How much?—A. I guess it is 89 miles.

By Mr. STONE:

Q. One or two words about your miners and I am through. Your men went out on strike, when?—A. On the 7th or 8th of January.

Q. Was it the same time that the Reading men went out?—A. No, our men worked for us a while; they stuck to us for a while and then went out. The pressure was too heavy for the poor fellows.

Q. And you were paying the 8 per cent. when they went out?—A. Yes, sir; and 15 per cent. on top of that. We were paying 23 per cent. when they went out instead of 8 per cent.

Q. Do you know why?—A. Because they wanted to be with the boys. They wanted to have a good time with the rest.

Q. They wanted to quit work?—A. That is about all. They went out on the 11th.

Q. If they were getting all they demanded, it is an impenetrable mystery to me why they wanted to quit work.—A. That is so. Rules of society can not govern them in that way.

Q. Have you anything such as company stores, anything of the kind?—No, sir; we have some places——

Q. Where do your men deal there?—A. Wherever they can buy to advantage.

Q. Say something such as powder?—A. They are not asked to deal there at all.

Q. Is there any other store there?—A. There are two stores there.

Q. Any other besides that one?—A. Yes, sir.

Q. Who owns this one?—A. One is owned by Bechther and the other by Taggert.

Q. Have they any connection with your company?—A. None whatever.

Q. Have they any arrangement with your company?—A. No; a man who wishes goods, and if knows the man, he can get the goods, and if not they will ask him to give the power of attorney and turn it into the office, if he wants to buy goods that way.

Q. Have you got company doctors up there?—A. I do not know where those things come from; I have been in the region twenty years and I never heard anything like that.

Q. Have you ever heard of company priests?—A. No, sir; if our priest heard me talk that way he would go for me. No, I have never heard of such a thing; I think I have heard of it up in the Lehigh, but I never heard of it in the Schuylkill region.

Q. Has there been much suffering among the miners since the strike?—A. I do not know of any; we have a population of 1,600, and I know of no suffering that arose.

Q. Was there any violence in your neighborhood?—A. A few outsiders came in there and wanted to disturb us.

Q. Disturb your men?—A. Yes, sir.

Q. For what?—A. For wanting to work—for working.

Q. Who were the outsiders?—A. Men from Shenandoah and the neighboring collieries.

Q. Did they attempt to make them quit work?—A. Yes, sir; stoned them one night. All Shenandoah came down one night; they thought an us up. When they saw us there they cleared out—they did not to clean us up.

By Mr. CHIPMAN:

Where is your coal bought?—A. At the colliery.

To whom is it sold?—A. To any person who wants to buy it.

Who do you sell to in general, individuals or dealers?—A. Indi- ils, dealers, any persons who can pay for it.

Is much used by individuals around the collieries for home con- ption?—Yes; our people use principally pea coal and the stove

Where is it shipped to?—A. Philadelphia, and on the line between and Philadelphia.

Is it shipped out of the State much?—A. None of our coal goes f the State.

Do you know of any pea coal being now shipped West?—A. Yes.

Where shipped to?—A. Everywhere; Chicago, Cincinnati, etc.

Used by whom; manufacturers?—A. Yes; principally, and some all stoves; a great many use pea coal, especially for self feeding s.

What do you mean by pea coal?—A. A size smaller than nut coal.

Self-feeding stoves, where?—A. I do not know. I think we sold delphia all the pea coal we have.

How is nut coal in regard to price?—A. That is a higher coal.

Higher than stove coal?—A. Twenty-five cents less.

Now you say your men had been given the 8 per cent. four months the 1st of January?—A. Yes, sir.

And they got also the basis rate?—A. Yes, sir.

And yet they struck?—A. They did.

n what order of time did they strike, compared to other miners?— ey worked seven days; that would bring it about the 11th of ry, I think.

You say they did not want to strike?—A. I do not think they did.

What makes you say that?—A. They say they did not want to

Do they belong to the Knights of Labor?—A. I think they do, me belong to the Amalgamated, and some to the Knights of La- our men.

Have you any of your men down here?—A. No, sir.

None of them are down here?—A. No, sir.

ould you get at them?—A. Yes; I could ship them to you in

Ship them?—A. That is, send them down and pay their fare. I think there is any of our men here.

You say one night some people came down there and made them ?—A. I believe they came down to induce them to strike. We fferent committees coming in in the night, and they were holding gs. They were holding secret meetings.

You were not present?—A. No, sir.

Did any men come to you?—A. Yes; who stated that they re- l not to work.

Who were this committee?—A. A committee of our own men; ames I can give you—Charles Jenkins, David M. Mullan, and d Williams.

When was that?—A. That must have been the 11th of January, they stopped.

Q. That was the day they stopped?—A. Yes, sir.

Q. They came to you and told you what?—A. That they had resolved not to work the next day.

Q. What else?—A. That was all.

Q. Did you ask them why?—A. I did not. I talked to them there, but I do not remember what we talked about. They said that the committee did not want them to work; that is, the head committee at Pottsville, and the men went back and resolved not to work.

Q. Now, you were paying the regular rates demanded by the men?—A. Yes; paying what they demanded.

Q. Paying the 8 per cent. and the basis rate?—A. Yes, sir.

Q. What did they complain of; anything else?—A. They complained of nothing.

Q. Had they ever complained of anything?—A. I do not know that they ever complained.

Q. Did they ever complain to you through a committee of anything?—A. Yes; not that year.

Q. I mean that year.—A. No; we had no trouble that year. They had had every possible thing.

Q. Was there not in December last?—A. No; I do not think we had any complaint; I do not know of any.

Q. Had you had any a few months before they quit work?—A. I do not think they were. Sometimes a man would get into a hard place, and say that he could not make wages and wanted a little advance; and we always talked it over and fixed it up.

Q. Was there any time within six months before stopping work?—A. I do not remember anything; that was occasional.

Q. Do you mean they would get into hard ground to work?—A. Yes; hard to blow out, but the men will stick to it as long as they can, and when they complain in that case you have to help them out; and they will come to us when they want more help.

Q. This is not in the nature of a grievance?—A. No; we have no grievance committees with us at all that I know of.

Q. You say the miners can make about how much a month?—A. From $2 to $5 a day. That is what they did last year.

Q. And how many days to the month?—A. Two hundred and ninety-three to the year.

Q. They can make from $2 to $5 a day?—A. Yes, sir.

Q. During that number of days?—A. Yes, sir.

Q. Is that exceptional?—A. That is as good as any colliery. I think our colliery is as good for the men as any I know of.

Q. You think it is an exceptionally good colliery?—A. I think it is a good colliery. I think we have got a good class of men there.

Q. What do you mean by that it is a good colliery and a good class of men; do you mean you are an exception to other collieries?—A. I think it is above the average.

Q. Then it is exceptional. It is not a general rule through the mines that the men make these wages?—A. Just as you say.

Q. You speak about the Reading people being mistaken in regard to the value of the land. Are not their lands largely undeveloped?—A. No; I do not believe they are largely undeveloped.

Q. Well, according to our testimony they have 45 collieries in operation, 11 of which are leased, and they have some ninety-odd thousand acres, as they claim, of coal land, making about 140,000 acres in all. Do you understand that the 34 collieries which they are working here constituted the value of their land, and that there is no value in the rest

l?—A. I think these 34 collieries constitute the best portion
nd.
ou think that is the cream of their land?—A. I do.
?—A. Because what we estimate can be developed has been
to my idea; I do not know whether there is coal or not.
?—A. It has not been made. They sunk a shaft at Potts-
it has not developed coal there. That is the best part of the
ed land.
think they are overestimating the mining value of their
Yes.
ou know the reason in regard to the sinking the shaft there?—
g more than the failure of the vein.
re?—A. Through this region. This region is estimated to
very large amount of coal, and men with experience in coal-
y there is, but I do not think the coal is here. The vein lies
, and it will be very expensive.
, according to your estimate, they have considered their coal
they call them, of great value, and you think they are mis-
A. I would not like to have them.
ust be so, for you men ought to know.—A. If I am correct, I
y are mistaken, and they think I am mistaken.
think they are overestimating the value of the lands?—A. I

n the number of mines?—A. I am, as far as I know.
long do you say you have been in the mining business?—A.
ars.
hat capacity?—A. Right along up. I started as clerk in a
I was in business for myself five or six years, and for the last
ars I have had charge of this colliery.
king and in business for yourself; do you understand the sys-
ining underground?—A. I think I do.
you familiar with the geological indications of the region?—A.
am.
there surface indications of coal here?—A. Yes.
at are those indications?—A. The cropping out of veins and

t is all?—A. And the workings, I suppose, so far have been
ll developed above the water level.
workings and from the geological indications. But I mean to
n undeveloped tract of land; are there any surface indications
you can judge of coal?—A. By the overlying rock and the
g rock.
erally, though, you want to see the coal itself?—A. It is not
sure indication; wherever there is conglomerate rock there is
s coal.
here a large amount of conglomerate rock throughout the re-
. Yes, sir.
t is considerable?—A. It does not always indicate coal.
r estimate of the Reading Company's mines is formed from the
e you have and from your knowledge?—A. I do not want to
stood as estimating the Reading Company's lands in dollars
I meant in tonnage; that I do not think that they have the
f tonnage they claim to have.
the lands good for agriculture?—A. No; but they have a large
f anthracite land which will become valuable as others de-

Q. I understood you to say if there was any allotment in the coal su ply at any time that it was made by the railroad companies; how is possible that they could make an allotment of what the mines cou produce?—A. I guess they own the mining companies—the railroads.

Q. Well, it is in their capacity as coal miners that they would hav to do with the allotment, not in their capacity as carriers; and they we great producers?—A. We think they are.

Q. As a matter of fact, on account of these great companies bein both miners and producers, they could control the amount produced i the region?—A. They most assuredly can control it.

Q. Can not they control it in spite of you?—A. They could do tha

Q. Could not they do that by not giving you transportation?— They never have; they have always afforded the facilities we wante

Q. They have never complained that you over-produced?—A. No.

Q. You say the system in regard to the output was a shortage by th coal exchange?—A. That is years ago, when the coal exchange would re solve they would not mine coal any more until the market was read for it.

Q. Is it in existence?—A. Yes.

Q. Do you belong to it?—A. Yes, sir.

Q. Who comprises it?—A. Different coal operators.

Q. Do these big companies belong to it?—A. No, sir.

Q. Do you half a dozen private operators represent it?—A. Yes.

Q. Unincorporated individuals?—A. Yes, sir.

Q. These half a dozen individuals undertake to control the market against these big corporations?—A. Not very much.

Q. What does the coal exchange do any way?—A. That is a pretty hard thing to say.

Q. What reason has it for existence?—A. Well, we hold it togethe because it is an old institution.

Q. You say you ship by the Reading?—A. Yes, sir.

Q. And the Reading is a great coal producer in this region?— Yes, sir.

Q. Is there not another railroad running up besides the Reading A. The Lehigh Valley.

Q. Where does that go?—A. Into the same region.

Q. Why do you not ship by that?—A. Because the Reading is m accessible.

Q. How much more so?—A. I suppose a couple of miles.

Q. Is there any competition in freights; any difference in freights A. Yes; the Reading is possibly lower than the Lehigh Valley.

Q. Does the Lehigh Valley also carry coal out of that region?— Yes, right along side of us out of the region. They have four or collieries from which they take coal, but they have a longer route the Philadelphia market. The Reading is the natural outlet for co that region.

Q. As you understand it, the Reading, in the year 1887, got about usual supply of coal?—A. I think it did.

Q. You do not think it has been crippled at all in this output?— No, I do not think it was.

Q. During this last year?—A. No, sir; I do not think it has.

Q. How long did this 8 per cent. advance continue?—A. Four mon

Q. Have you any idea what was the amount of their pay-rolls?— They say their pay-rolls were $800,000 a month; I only know w they say.

Q. Do you know anything of your own knowledge?—A. I think that would be a fair representation.

Q. That was four months?—A. Yes, sir.

Q. And outside of that you think they got out the usual quantity?—A. I think they did.

Q. In the mean time, as a carrying company, they charged their usual rates for carriage?—A. Yes, sir.

Q. You say your coal will average $2.50 at the mouth of the pit?—A. Yes, sir.

Q. That embraces all kinds of coal. You do not know anything about the cost in the Lehigh system and other systems, do you?—A. I do not know what a man would have gotten in that system.

Q. And they charge the same price when they sell it?—A. It varies very little; it sometimes varies 25 cents.

Q. Did I understand you most of your coal is sent into Philadelphia?—A. Yes, sir.

Q. It is used locally?—A. Yes, sir.

Q. Your output is 300,000 tons?—A. In round numbers, we run about 325,000 tons; that was the most we put out.

Q. Your men are all at work?—A. Yes, sir.

Q. On what prices?—A. To day they are on the Reading basis. We started with them on the 8 per cent. advance.

Q. The old basis is a percentage on $2.50?—A. Yes; they get the advantage of the price of coal above $2.50.

Q. This basis you refer to is one out of three?—A. Yes, sir.

Q. Can you tell us, if you know, to what extent the miners have gone to work in this region to-day?—A. In Shenandoah there are three collieries working, and that is all I positively know. The individuals were working last week, and three Reading collieries in Shenandoah started up this morning and two more were ready, but the collieries were not ready.

Q. Have you known of any instance where the striking miners have obstructed the shipment of coal?—A. How do you mean?

Q. Obstructing it; trying to obstruct it?—A. From going to market after it was loaded?

Q. Yes.—A. No.

Q. Do you know whether the railroad strikers did or not?—A. No.

Q. You know of no instance of that kind?—A. No more than what the papers stated.

Q. Have you known of any instance of violence outside of the one you have told us?—A. That is all I know of. That is the night the men came down from Shenandoah. One night they came and stoned some of our men.

Q. You say now your men have never presented a grievance, and never told you this last time why they wanted to strike?—A. No, sir.

By Mr. STONE:

Q. Do you know anything about boys being beaten around the breakers?—A. Not up at our place; I heard of such things in other places.

Q. Where did you hear it was done?—A. In Shenandoah.

Q. Have you a sales agent?—A. Yes, sir; we have a number of them.

Q. Do they see the other sales agents and fix the prices?—A. No, sir; they have nothing at all to do with that; we fix the price for them.

Q. They go round and hunt up custom?—A. Yes.

By Mr. PARKER:

Q. The sales are made f. o. b. at the mines?—A. Yes, sir.

Q. Now, have you ever had a case where you made a sale or were prepared to make a sale that you could deliver and there has been a failure of the railroad to move immediately the coal sold or waiting to be sold?—A. I never had such a case.

Q. Therefore you never have suffered from any failure of the railroad to supply you with cars so as to keep up with your opportunities to sell?—A. No, sir; we never have.

Q. Are your men mostly American born?—A. The majority are. We have about 18 per cent. of Irish, and the rest of them are made up of Welsh, English, Germans, and Americans.

Q. At the time of this disturbance and threat at your mines, did you have the assistance of the police to protect you?—A. We had a few there, and then our men came to our rally and we armed them.

Q. Then your protection was mainly by your own miners?—A. We got a little scared. They said they were going to kill us, and so we went out with about sixty carbines, and when they saw them they did not come any farther.

Q. So practically you protected yourself?—A. Yes, sir.

Q. You spoke of the Pottsville shaft; how far is that located?—A. About a mile and a half.

Q. What is the name of it?—A. It is called the Pottsville shaft.

Q. When was it sunk?—A. About six years ago.

Q. Under whose supervision?—A. The general superintendent.

Q. At the expense of the coal and iron company?—A. Yes, sir.

Q. To what depth?—A. I think it is 1,500 feet.

Q. How far below the sea-level would that be?—A. I guess it would be over 900 feet.

Q. Is not that a mistake about its being 600 here [referring to paper]?—A. I think that is right there.

Q. Are there gangways running out from the foot of the shaft?—A. I think so; I have never been in the shaft, but they would have them.

Q. So there was a large expenditure made in this way?—A. Very large.

Q. What would you estimate that at?—A. I guess that cost a million and a half dollars.

Q. Has it any value?—A. No doubt it will gain in value. This coal here is not as good as the coal from the North. When the northern coal is exhausted, no doubt prices will advance, and they will come here and take out this coal.

Q. Then, if I understand your statement, they struck coal in considerable quantity, but as yet it is not marketable?—A. Not at present.

Q. In regard to your men who struck about the 11th of January, I wish to know whether you understood from them in any way that there was any purpose in their striking to help to produce a scarcity of coal or a coal famine that would help to force the men contending against the miners to accede to their demand?—A. I think that was their object. I think they wanted to assist their organization and compel all to come to terms, because when we showed them it would not facilitate them in being out, they returned to work.

Q. Then the design of the men, you understood, was to force their opponents to accede by the pressure of the consumer?—A. I think so.

By Mr. ANDERSON:

Q. I understood you to say you had been familiar with this region for more than fifteen years?—A. Yes, sir; I was raised in this region.

Q. Taking the coal territory now in possession of the Coal and Iron Company, before that company was formed were there more private collieries then than now?—A. Yes; there were quite a number of collieries that have gone out of existence, and few new collieries have come into existence in that time.

Q. If the land had remained in the hands of the original owners, the private individuals to whom they were sold, is it or not likely that to-day that territory would be supporting more collieries than it is?—A. No; I think the Reading has been more successful than the individuals. I do not think the individuals could have lived through the last fifteen years in the competition in the business. If the Reading had not bought them the Lehigh Valley Railroad or some other railroad would have bought them.

Q. Suppose no road bought them; suppose no carrier had any right to engage in mining, would there probably have been a larger output?—A. No, sir; the output would not have been so large, because the other regions would have taken the market and we would have just had the tail end of it.

Q. Why?—A. Because they own the lands, and they always drove us out of the market.

Q. Suppose they did not own the land?—A. In the upper region they did. I was forced out myself, and sold to the Reading because I could not compete with them. In the upper regions they own the lands, and the Reading Company had their own mines, and they could go into the market and fix a price at which we could not sell.

Q. So you were forced to sell out?—A. We always had the tail end of the market until the Reading Railroad came to our assistance.

Q. Take it in the year 1887, has there been any variation in the freights usually made, month by month?—A. No, sir.

Q. It has always been $1.80?—A. That has been it. We used to pay 25 or 30 cents to the shipping point.

Q. From the shipping point from Port Carbon or Schuylkill Haven?—A. Others would pay different rates. After June this company took the freight at one rate from the colliery right through, and their tolls were $1.50, but the 30 cents made it $1.80; we found we did not pay any freight under that.

Q. Do I understand that for the last twelve months they have maintained that rate uniformly?—A. I think they have. I think the tolls were $1.80—$1.50 and 30 cents.

Q. You spoke a while ago of one miner being able to take out 30 tons and another 5 tons, and that the man who was able to take out 30 tons received less wages?—A. No; he may have received more pay, but he received less pay for his 30 tons per ton than the man who takes out 5 tons.

Q. What makes that difference?—A. Because some places would run pretty well and another place would be flat and they would have to lift it.

Q. Then there is a difference, then, in the amount of the work, necessarily?—A. Difference in the amount of work and the size of the vein; one might be small and another might be large.

Q. How was this basis of $2.50 fixed?—A. On the amount the men receive when coal brings $2.50 at Port Carbon.

Q. It varies with the prices of coal at Port Carbon. Do buyers of coal come to Port Carbon?—A. They used to come here; this used to be headquarters where we sold coal. We have now to go to Philadelphia.

Q. Why is not the basis fixed on the Philadelphia price instead of Port Carbon?—A. That was the custom when this was the shipping point and tolls were from Port Carbon to Philadelphia.

Q. If the toll was uniform—— A. It was not always uniform. It was last year, but every year it varies. Some years it varies.

Q. Of course it is presumed to vary with the price of coal. That being the case, I can not see why the price at Philadelphia, where the competitors are making the prices, according to this rule, why you should not pay that basis instead of the $2.50?—A. That would be worse for the men.

Q. Why?—A. If we give a percentage on Philadelphia prices, we taking coal at $2.50 and $1.80 cents freight, making $4.30 for coal, sometimes a difference of 25 cents, in Philadelphia, say $4.30; they would only get 1 cent in 8 at that rate, instead of here on the $2.50 basis they get 1 cent in 3.

Q. But it would be very easy to multiply the percentage?—A. Yes, sir, we could do that. I do not know how they came to run it here. This coal is calculated on the basis here.

Q. When the men are supplied with gunpowder, can they buy it from either of the two stores you speak of?—A. They can buy powder wherever they want to, but he has got to store it in a magazine. We will not allow him to put it in his house.

Q. He may buy it where he pleases?—A. Yes, sir.

Q. Is that universal?—A. I think that is the rule. We never ask a man to buy anything. I do not know what the other operators do.

Q. I understood you to say your royalty was 44 cents on your output of 300,000 tons. If I have figured it correctly, that would make your royalty on that tonnage about $132,000; is that correct?—A. Yes, sir.

Q. That would be the rental you pay for the 640 acres for a definite number of years?—A. As long as we take out coal.

Q. Coming now to the question of wages; you pay your men—or rather the question comes first in regard to the cost per ton; I think it was $2.40; is that royalty included in it?—A. Everything.

Q. The miners' wages?—A. Everything. We only keep two sides of a ledger; one we put down what we get and the other what it costs us, then we strike a balance, and that is what we have.

Q. Now, if you happened to own that 640 acres—— A. It was sold one time at $1 an acre.

Q. When was that?—A. Sixty years ago.

Q. What was the worth of the property in 1860, or say at the close the war?—A. You can figure; it was developed then. It was know there in 1851 and 1852, and the value of it was well established.

Q. What was it about then?—A. Just the same as now.

Q. Do I understand the royalty paid then was 44 cents?—A. The ro alty then was 25 cents.

Q. Of course the person who gets the royalty makes money out it?—A. Yes, but the land becomes exhausted. Twenty years more an that land will not be worth 50 cents an acre.

By Mr. PARKER:

Q Was it not a fact that the Reading Company before or while pu chasing these lands tested them by boring frequently?—A. I thin those lands were very well developed before they were bought.

Q. You think they did not test by boring?—A. I do not think th did. I think they knew all about them before they bought them.

Q. Who is it that fixes the rate that would be paid to a represent tive miner who mines 5 tons or 30 tons?—A. That is the average rate through the district.

Q. Who fixes the rate?—A. I fix it myself.

Q. You fix it upon your judgment?—A. Yes, sir: and it is nearly alike in every colliery in the district.

Q. You adjust it upon a basis that would make the wages about even?—A. Yes, sir.

Q. How far is it from Port Carbon?—A. Two and a-half miles right east of you.

By Mr. STONE:

Q. I understood you to say that you were frozen out and compelled to come into the Reading system. When was that?—A. Why, that was in 1870.

Q. How did that happen?—A. Well, I engaged in the coal business like a good many more; I believe the senator was in at the time I was. We did not have money enough to make both ends meet, and we borrow and go ahead until the sheriff gets us, or until we can sell out.

Q. That does not answer the question. I understood you to say that the railroad company had obtained lands in the upper region?—A. Yes, sir.

Q. And by reason of their management of the lands in connection with the carrying trade that they could sell and did sell coal cheaper than you could around the mine?—A. I presume they did, because they were the only competitors, just as I stated. Somebody sold coal lower than we could mine it, and it must have been them.

Q. Then the fact that the common carrier was also a coal miner, and *vice versa*, enabled it to undersell a man simply engaged in mining?—A. Well, they had more funds at their command. I do not think they could mine and carry cheaper, but they had larger amount of funds than we had and they could fix the price.

Q. Controlling the transportation would give him an advantage?—A. Not if it was down to a low figure it would not.

Q. I can see this, that the railroad companies could mine and carry coal to Philadelphia or New York and sell it there at such figures as you can not afford to?—A. Yes, I will tell you how that was. When Charles E. Smith was president of the Reading Company and when any one would come to him and state the price of coal in New York and ask for a lower toll, as they could not pay that much, he would say that he was going to have that much on that road and if they could not come in on that margin they would have to stay out, and so they did.

Q. Would it cost the Reading Coal and Iron Company as much to mine coal as you?—A. I think every bit as much.

Q. They might fix the tolls at $2.50 a ton, and then sell coal in Philadelphia at existing prices, if the purpose was to drive you out?—A. Oh, yes; but they never froze us out.

Q. But you said they sold coal so cheap you had to quit?—A. I did not say the Reading did it; I said other parties did who sold coal cheaper than we could mine it.

Q. Is it not a fact that these mining corporations and railroad corporations combining have absolutely driven the individual operators out?—A. I do not think that was their object. I think the competition there was great, and when there was an overproduction and the price was low we suffered. When they gave the coal away and when we could not, we suffered.

Mr. ANDERSON. Suppose the company did charge you $2.50; they could freeze you out?

A. Oh, yes; right away. But they never did; they always treated us nicely. The Reading was our best friend; after Mr. Smith left there was a change.

Mr. STONE. Smith said he earned dividends?

A. He took my money to pay dividends.

Mr. ANDERSON. Can you operate your mine, apart from this royalty business; the chief cost of getting out a ton of coal—is it probably less or greater than the cost of getting out a ton of coal from the Reading mines?

A. I think it less. I think we have a better colliery than the majority of the Reading collieries.

Q. If the Reading Railroad gives you precisely the same tolls that they give to themselves—because you can get your coal out cheaper you should be able to make more money to pay the miners there.—A. They do do that. They haul coal as cheap for us as for themselves.

Q. Because they are themselves. It is like saying you yourself will do so and so.—A. I do not think the $1.80 is much to carry a ton of coal down there. The whole trouble is that coal is too low in Philadelphia and New York.

Mr. STONE. How can they carry coal for 100 miles for 25 cents?

A. They never can carry a ton of coal a 100 miles for 25 cents.

Q. They do to-day from Philadelphia to Elizabethport?—A. No, not to-day; not 80 miles or 50 miles. I do not think they do it.

By the CHAIRMAN:

Q. You spoke of being frozen out of the coal operating business yourself as a private miner under Mr. Smith's presidency of the railroad company?—A. Not under him.

Q. Since then?—A. Since then.

Q. Under Mr. Gowen?—A. Yes, sir.

Q. Is it not a fact that individual mine owners have been frozen out continuously ever since you went into the business?—A. Yes, and before.

Q. Is it not a fact that the coal-carrying railroad companies are absorbers of all private individual coal mines, or nearly all?—A. I think the great trouble is the great competition in the cities; they want coal for nothing.

Q. Who becomes the owner of these individual coal mines?—A. Anybody the sheriff will sell them to.

Q. What I am after is, who becomes the purchaser?—A. I do not know; I guess that the railroad companies have to take them.

Q. Is it not a fact that the railroad companies absorb all the individual coal mines?—A. There is no absorbing; the individuals are compelled to sell and they take them.

Q. If they take them, surely they absorb them?—A. There is a difference in the word "absorbing." They become the owners just as any individuals.

Q. I want you to come down to the fact.—A. I am coming to the fact. I want you to understand they do not seek the individuals to purchase. but that the individuals sought them to buy. I want to put it to you plainly.

Q. You also stated that sometimes when you wanted more cars to ship coal you could not get them because you had loaded cars, and the railroad company would tell you you could not get them until you emptied those you had?—A. Yes.

Q. Did not that limit the output of coal?—A. Yes; but suppose the company had all the cars loaded and I would not unload them, I do not see how they could furnish any more empty cars.

Q. They were the judges as to whether you had a legitimate quota of cars; they were the men who controlled their cars?—A. Yes, sir.

Q. Before ordering other cars for this mine did you have to trace up the number of cars you had, and where they were standing loaded, to see whether you had them loaded or not?—A. Many a time.

Q. And you have not had any quarrel; you found they were impartial?—A. I found they treated me very nicely, and I say very impartially.

Q. What were the general average prices that you paid your miners last year? I understood you to say you mined the whole year.—A. We paid our miners last year on the $2.50 basis.

Q. How much above?—A. I think I can give it to you. In February we paid them the basis. In March we paid 2 per cent. above; April, 3 per cent. above; May, 3 per cent. above; June, 4 per cent. above; July, 4 per cent. above; August, 4 per cent. above; September, 8 per cent. above; October, 12 per cent. above; November, 12 per cent. above; and December, 21 per cent. above.

Q. What would you make the general average for the year?—A. I should say about 8 per cent.

Q. And the coal on what basis; how much above the $2.50?—A. It was 25 cents.

Q. That is about $2.75?—A. Yes.

Q. I understood you said the royalty was 44 cents?—A. We do this year. We paid last year 43 cents, this year 44 cents; it advances a cent a year.

Q. I also understood you to say in addition to paying that royalty of 44 cents a ton that you netted your employers 19 cents a ton?—A. Yes; it should have been a dollar a ton.

Q. Why?—A. Because it does not pay for fixing up the plant.

Q. Why did you not get a dollar a ton?—A. It was not my fault. I could not control the prices. If I had control of the mines I would fix the prices.

Q. Forty-four cents and 19 cents make 63 cents. Well, now, if a man can lease coal lands and pay 44 cents a ton royalty, and net 19 cents a ton profit, should not a railroad coal company that owns ninety or a hundred thousand acres of coal lands be able to mine coal cheaper?—A. No, sir. This colliery is above the average of collieries. Where we have made money others have lost.

Q. Better, how?—A. Coal is better and easier to mine.

Q. Why?—A. On account of the miner having gravitation to help him.

Q. Thicker veins?—A. Thicker veins and better veins.

Q. And still you can pay 44 cents a ton and earn money?—A. We paid 43 last year; I do not know how it will be this year.

Q. You paid 43 cents last year and earned money?—A. It was a tight squeeze, you must remember.

Q. You made 19 cents a ton?—A. It will take about 40 cents a ton to put the colliery in the same condition it was last year. Moreover you are taking out 300,000 tons of coal, which is a good deal. Not like an operation where you take off one end and put it on the other. That colliery should have made at least 50 cents a ton to have made a cent.

Q. Could you tell the committee about how many individual mine-owners have gone out of the business within the last few years—eight or ten years—in the Schuylkill region?—A. About forty of them.

Q. You say about forty?—A. I think so.

Q. How many mines do you know of passed into the hands of the Railroad Company; no matter how they got them—the tracks all go one way?—A. Yes, sir; but it is a fortunate thing they set that way.

Q. It will not be many years before all the individual coal-miners will become superintendents themselves—be out of business?—A. Without they put the prices of coal up. If they put the prices of coal up they will stay.

Q. But you pay 44 cents a ton royalty and clear 19 cents a ton?—A. We have to pay that. They pay that themselves.

Q. The Reading Railroad pays 44 cents?—A. Yes; leases collieries and pays 44 cents.

Q. It does that and owns large coal lands?—A. Yes.

By Mr. PARKER:

Q. I wish you would state the prices of coal during the months of the year past. Take the average stove coal, or something like that.—A. I will give it. You must remember that is coal retailed; the average price of coal would be about 30 cents a ton less than this. If we went to Richmond to ship, it would not be quoted within 30 cents of this.

Q. Where do you fix the price?—A. At Schuylkill Haven.

Q. If you will give the prices through the year we will be obliged.—A. Do you want them all through the different sizes?

Q. Suppose you take stove coal.—A. That is the highest coal, and it is not a fair average. If I give the total average that will give the prices.

Q. Suppose you give us stove coal and a general average.—A. Stove coal, January, February, March, April, and May, was sold in Philapelphia at $3 to retailers, and the average for all kinds of coal was $2.07. In June it was $2.75; coal went down 25 cents a ton. July was $2.75. That is the price, and sometimes we had to sell for 25 cents less, because we could not get it. September $2.75, and the average for all coal for that period $2.82. In October it went to $3; November, $3; December, $3; and the average for all coal, $2.04.

Q. Now this year?—A. There has been very little coal sold in January, and the average in January for stove coal was $3.50, and the average on all kinds was $3.19.

Q. And from January to date?—A. This is to date. We do not know what we have sold for February.

Q. Are the February prices about the same, so far as you see?—A. No; stove coal is 25 cents a ton less, and the average about that.

Q. I understand you that most of these collieries, sold as individual properties and bought by the railroad, were bought from the sheriff?—A. They would have been bought from the sheriff if they had not fixed it before it went into the sheriff's hands.

Q. How many were actually sold by the sheriff?—A. I do not know of any that were actually sold by the sheriff.

Mr. STONE. You say you do not know what your coal brought this month?—A. I do not know the average, but I know what it sold at. I sold some at $3.75 and some at $3.50, but that is the highest price. There is 25 cents to $1.25 difference in the prices, according to different sizes. We sell coal—say I can sell 5,000 tons. When I go to get the money the man says, "Here is 25 cents reduction." "What is that for?" "That is for slate and dirt and one thing and another." You say you will not stand it, and he says you will either have to stand it or he will never buy another car of coal from you. So I say "I will stand it." That is the way we are treated badly.

TESTIMONY OF DANIEL DUFFY.

DANIEL DUFFY, sworn and examined.

By Mr. CHIPMAN:

Q. What is your name?—A. Daniel Duffy.

Q. What is your business?—A. I am clerk of the quarter sessions.

Q. Where?—A. Schuylkill County.

Q. Do you live here?—A. I reside about 3 miles distant.

Q. In this vicinity?—A. Yes, sir.

Q. Have you any knowledge either of the railroad or mining difficulties here?—A. Some; yes, sir.

Q. Were you ever employed by the railroad or in mining?—A. I was a miner.

Q. In what way?—A. Well, I started in like most men engaged in and about mines, picking slate.

Q. Were you ever under ground?—A. Yes, sir.

Q. How many years did you follow that?—A. About ten or twelve.

Q. How long has it been since you were engaged that way?—A. About ten years.

Q. Do you know anything about the cause of this strike in the Schuylkill region?—A. Yes, sir; I am somewhat familiar with the cause of this strike.

Q. So far as you know, what were the causes. Give them to me briefly.—A. The miners' strike was owing to the refusal of the operators and companies to grant an advance of wages.

Q. Grant what advance?—A. Well, we prepared a schedule of wages some time——

Q. Who prepared that?—A. The committee known as the joint committee, representing the labor organization in this section. The basis system dates back to the year 1869. There was then in existence what was known as the Anthracite Board of Trade, formed by the representatives of the miners and the operators. They were meeting for the purpose of formulating a basis schedule of wages covering the rates of wages paid in and about the mines, based upon $3 a ton at Port Carbon, which was then the shipping point. That was in 1869. This basis system continued for about two years. The wages of the miners during these years were very high, up to and about the year 1871. For the years 1869 and 1870 the wages of the coal miners, the average wages, was equal to the most skilled labor in the country.

Q. You mean they were as high?—A. Yes; they would compare favorably with the wages paid anywhere in the country. About 1871 the anthracite board of trade wanted the basis price reduced from $3 to $2.50 per ton. The miners at that time objected and they went on a strike. They were on a strike for four or five months, but it ended in what is known in the coal territory as the Gowen compromise. The original $3 basis was the minimum wages and the advance one in every three cents as coal would advance in the market, but if the coal decreased the wages of the miners remained at the minimum. The Gowen compromise says that when coal sold at $2.50 per ton that the wages of the miners should be 16½ per cent. less than when coal sold at $3 a ton, and when coal sold at $2 per ton that proportion should be less than when it sold for $2.25. The miners went to work at that time on what is known as the $2.50 basis. From the years 1872, 1873, and 1874 the $2.50 basis continued. There was some slight decrease in wages, principally in contract mining. In the year 1874 the miners through their representatives requested that the rate of wages paid in 1874 should be continued in 1875. The operators refused, stating that they demanded a 10 per cent. reduction. It resulted in a strike which lasted from the 1st of January until about the middle of June, in the year 1875. With the defeat of the men the organization collapsed. The coal trade was in a miserable condition at the time owing to the fact that the Wyoming region was working mostly all this time and had kept the market at a pretty full rate. The balance of the year there was more or less stoppages in the individual collieries, who then largely controlled the region and was then a right respectable number.

Q. Go on with this basis rate.—A. The rates of the miners were reduced in many collieries as nearly every operator made terms with the men, and the men having no organization they accepted these terms. There was no reduction in the percentage system for that year. After the men resumed work, at the next year, about April, I think, or thereabouts, there was a new system introduced in the system. It was what was known as the half-time system. The men would work half a month, sometimes a little more and sometimes a little less. They were also held to the $2.50 basis system which was a reduction of a good many per cent. under the original basis that was paid. That whole year, and almost uninterruptedly down to about the month of November, 1885, there was a certain percentage taken from the miners' pay every month, based upon the $2.50 basis, which was originally agreed upon between the operators and the miners, but the miners had no representatives on the board.

Q. What was the basis they were paying then?—A. They claimed that the prices of coal did not warrant better pay than they gave the men.

Q. Did they still claim to be acting upon the basis?—A. They still claimed they were acting on the $2.50 basis.

Q. But that the prices justified a reduction; is that true or not?—A. Well, the men objected to it; they claimed they were not properly treated.

Q. Was it true that the price of coal justified a reduction on the basis system?—A. The men had no representative on the board as originally intended by the basis system.

Q. On what board?—A. To get the prices as average of the five highest collieries that were supposed to govern the prices of the coal basis.

Q. Which had continued down to when?—A. This thing continued uninterruptedly down to the year 1885.

Q. What has been the trouble, if any, since?—A. During this time the men had no permanent organization in this section, and they commenced and formed what we call a joint committee for the purpose of formulating a new basis schedule to be presented to the operators and the representatives of the coal mining companies for the purpose of getting an advance in wages. We presented this schedule of wages about the month of January, 1886. There was no attention paid to it.

Q. To whom did they present it?—A. It was mailed, or supposed to be mailed. The secretary had instructions to notify by mail all the individual operators and representatives of coal mining companies throughout the anthracite coal region.

Q. Who was the secretary?—A. Hugh McGarvey, of Beaver Meadow. They met time and again for the purpose of attempting to have this matter adjusted. They met some time in March, 1887. They passed chedule, and I might state it was referred back to the men, and it adopted.

By their committee?—A. Yes, sir. It was considered there, and hanges suggested were made according to the wishes of the ma- r. They met in the month of April, 1887. The committee thought ibly the companies' representatives and operators objected to the of the schedule as presented on account of the rates being high, ey considered them. It was advanced about 15 per cent.

What were the exact details of it? Give us the details.—A. It red the different kinds of mines and the different veins, and the s per car and the prices per yard. In different veins they vary. e large veins there is a certain fixed price, and in the small veins is a certain fixed price.

You must remember that this must go out to the people who ot know about mining, and you must not take for granted that ybody is familiar with it. What were the details of it; was it in ng?—A. It was in print.

Have you got it?—A. No.

Can you hand it to us in the morning?—A. I will try, sir. I will ise to give it to you before you leave here.

Now, then, go on.—A. About the middle of April, as I stated, the nittee thought that was the objection and they re-issued this sched- and this they regulated from an advance of 10 per cent., and fixed the day of May for an answer from the several companies. They met e time appointed, and they received a few replies from some of the idual operators, who reported that they must be governed entirely e larger companies. Not hearing from the larger companies, the nittee again determined to make another effort, and they re-issued r schedule. This original schedule was revised on account of the mation we received from the Wyoming region that they would not epared at that time to enforce the schedule wages.

What was the revision made in it?—A. Some slight changes ing the different sections.

So far you had in the 10 per cent. advance?—A. That was not list- to; we got no reply. Then they met again in August.

When did they come to the 8 per cent.?—A. I am coming to that.

Well, come right to it.—A. They presented this schedule of wages e officials of the Reading Company, signifying their willingness to representative men and to discuss the matter, and, as they stated, ok for an amicable adjustment. They compromised on the 14th of ember on the 8 per cent. advance, that to be the minimum in ad- n to the advance in regard to the advance in coal of 1 cent out of every 33⅓ per cent. on every dollar that coal would advance in the mar- They formulated the agreement and presented it to the company, g for this advance. The committee can be furnished with a copy e original agreement and the memoranda of the agreement which afterwards presented by Mr. Whiting, the general manager of the and Iron Company, as what they agreed upon. Mr. Davis, being man of the committee, was appointed by the balance of the com- e to meet Mr. Whiting for the purpose of receiving the agreement it was signed by the company. The original agreement was ex- as reported back to the committee by Mr. Whiting, general man- , with the understanding that it must be submitted to the receivers.

What was it; was that the advance of 8 per cent?—A. That was dvance of 8 per cent.

Q. Was that adopted finally?—A. Yes, sir. They presented a memoranda of the agreement to Mr. Davis, stating that covered the all points. The original agreement reported back was accepted by the committee and accepted by the officials of the Reading Company in the matter. All individual operators agreeing to the terms, the Reading Company was notified that the terms were acceptable to the committee and to the men, and the men worked for the balance of the year.

Q. They worked up to the 1st of January?—A. Yes.

Q. That was about what time in September that the 8 per cent. was agreed upon?—A. About the 14th day of September. They desired the agreement should be made for after the 1st of January, the committee did, but they were told positively no agreement could be made after the 1st of January.

Q. Told by the representatives of the Coal and Iron Company?—A. Yes, sir. It was then the 14th of September. The committee desired the agreement extended four months, or from the 14th day of September until the 14th day of January, which would cover the period until after the election of the officers of the company, which would by that time pass out of the hands of the receivers under reorganization. The officials refused to extend it after the 1st day of January, as they stated they could not make any contract binding on the company after that time. About the middle of December the committee notified the officials of the Reading Company that they would request the continuation of the agreement after the 1st of January, and there was a meeting or two held prior to the 24th of December.

Q. Held by whom?—A. By the representative men and the officials of the company. On the 24th of December the committee, in consultation with Mr. Whiting, was informed that the terms of the agreement that was entered into demanded that the men should continue at work after the 1st of January——

Q. Were you present?—A. I am only giving you the report submitted by the committee.

Q. Submitted where and to whom?—A. To the meeting that was in session in this town.

Q. They reported that Mr. Whiting contended that this agreement did what?—A. That by the terms of the agreement the men were to continue at work after the 1st of January at the original $2.50 basis; that is, the basis which was paid prior to the 1st of September, without the 8 per cent. The committee contended that these were not the terms of the agreement, and called his attention to them; but they were informed that Mr. Corbin interpreted it in that way. The committee reported back to the meeting, and it was then and there decided it was necessary for them to define the agreement as they understood and as they entered into it. They did so by a written communication.

Q. Have you a copy of that?—A. Yes, sir.

Q. Where is it?—A. In my pocket.

Q. You were asked for your interpretation of it by the company?—A. No, sir; we decided it was necessary to interpret it, and we did so in a communication to the company.

Q. Was that sent to the company?—A. Yes, sir.

Q. Who sent it?—A. The committee. Mr. Davis, if I remember right, was one of the committee.

Q. You sent your interpretation; how was that sent to the company, and when was that?—A. That was on the 24th of December.

Q. What happened next?—A. They also requested in the——

Q. Who do you mean by "they"?—A. The committee requested a continuation of the terms of the agreement after the 1st of January.

Q. Then what took place?—A. Mr. Whiting then stated that he would prefer holding a consultation with President Corbin and lay the matter before him, and requested the committee to meet later. I think they fixed the 27th or 28th of December for the next meeting. When the committee called again they found Mr. Whiting had been sick, and had been in the house for a few days, as they reported, and had been unable to attend to it. On the 30th of December the committee decided to notify the Reading Company and all other operators that the terms of the agreement would expire on the 1st of January, and requesting a renewal.

Q. Did they do so?—A. They received a communication from Mr. Whiting, in which he stated that he had referred it to their office at Philadelphia, and he would probably confer or communicate with the committee on receipt of information, or something to that effect.

EXHIBIT 44.

POTTSVILLE, PA., *December 29, 1887.*

You are hereby notified that the terms of agreement entered into, beginning September 1, 1887, expires on the 1st day of January, 1888. We request a renewal of the terms covering said agreement pending final settlement.

JOHN H. DAVIS,
Chairman.

S. B. WHITING,
General Manager Pennsylvania and Reading Coal and Iron Company.

EXHIBIT 45.

ANSWER.

PHILADELPHIA AND READING COAL AND IRON COMPANY,
Pottsville, Pa., December 30, 1887.

DEAR SIR: Your communication of to-day, relative to a renewal of agreement for wages after January 1, 1888, has been handed to our Philadelphia office for instructions. I will probably communicate further with you after receiving advice from them.

Very respectfully,

S. B. WHITING,
General Manager.

Mr. JOHN H. DAVIS,
Mount Carmel, Pa.

Q. What took place?—A. The next day the committee was surprised to see a statement issued by Austin Corbin, president of the company, to his employés in the Schuylkill region interpreting the agreement as he understood it and ignoring the committee.

Q. Was that the circular which is in evidence here, in which he asks the men to go to work?—A. Yes, sir.

Q. We have that; so far you do not disagree. What took place after that?—A. On the 3d of January the men refused to work.

Q. Have you a copy of that notice signed by Mr. Corbin?—A. The statement issued to his employés? I have not it with me; no, sir.

Q. What took place next?—A. The committee expected to hear from Mr. Whiting on receipt of information from the office in Philadelphia. About the 10th of January they held a meeting and they saw by the morning papers that Mr. Keim had been elected president of the Coal and Iron Company, and not understanding it, as it was something unusual, the president of the railroad company generally speaking being president of the Coal and Iron Company, the committee concluded that it was necessary now as there was a new officer elected to notify him and request a compromise or settlement. They did so by telegraph on that day, outlining what they desired.

Q. Have you a copy of that telegram?—A. Yes, sir; in the newspaper.

Q. Read it.

EXHIBIT 46.

POTTSVILLE, PA., *January* 10, 1888.

GEORGE DEB. KEIM,
President P. & R. C. & I. Company:

We notice by morning papers your election as president of the P. & R. C. & I. Company. We hereby notify you that we request a continuance of the terms formerly offered to Mr. Corbin as outlined in our letter to Mr. Whiting, dated December 24, 1887, namely, 8 per cent. advance on the basis and contract prices paid previous to September 1, 1887, which shall be the minimum, subject to advance, with the advance in the price of coal above $2.50 per ton at Schuylkill Haven, at the rate of 3¼ per cent. for every dollar or fractional part of a dollar advance in the price of coal above $2.50 per ton at Schuylkill Haven, pending final settlement.

ROBERT MAGGS,
Secretary Joint Committee.

Q. What reply did you get to that?

EXHIBIT 47.

PHILADELPHIA, *January* 10, 1887.

MR. ROBERT MAGGS:

Your telegram to me of this date has been received, and the same referred to our general manager at Pottsville, Mr. S. B. Whiting.

GEO. D. B. KEIM.

Q. What became of it?—A. There did not anything come of it. The committee waited anxiously, expecting to hear from Mr. Whiting, as outlined by his letter of December 30, which is also published there. They did not hear from him for some time.

Q. When did they hear from him?—A. They heard from him some time about the first week in February. I can not remember the date.

Q. What did they hear?—A. They heard that Mr. Whiting would receive a committee.

Q. Did a committee go to him?—A. The committee went to him.

Q. When was that?—A. I judge about the 7th or 9th of the month.

Q. Of this month?—A. Yes, sir.

Q. Were you with them?—A. No, sir.

Q. Did they come back and report?—A. Yes, sir.

Q. To whom?—A. They reported to the committee then in waiting.

Q. Who were they?—A. I can not tell; there was Mr. Jones, Purcel Laughan, Shields, McDonald; I can not remember all.

Q. What did they report?—A. They reported that they had an i terview with Mr. Whiting, but he was not in a position to open up negotiations.

Q. Was there anything else in their report?—A. Yes, sir.

Q. What else?—A. They stated that they were anxious to com to a settlement of the question, and he stated that he had no authorit to do it. Well, they told him that from the telegram received from M Keim they judged he was the man who had the matter in charge, an also from the tone of his letter of December 30, which was the la communication they had received from him. He said he was obliged to ask Mr. Corbin.

Q. Was there anything else they reported in connection with that interview?—A. Yes, sir.

Q. What?—A. They requested a settlement, and he stated that he would make it a point to go to Philadelphia and confer with the officials, and request a compromise based upon the conditions submitted.

Q. Was he here then?—A. In Pottsville.

Q. Was there anything else they reported?—A. That was about the substance.

Q. What became of that?—A. They waited anxiously, but there was nothing came out of it up to the time Mr. Lewis effected a settlement.

Q. Now you speak of Mr. Lewis, has he effected a settlement?—A. Partly.

Q. You mean Mr. Lewis of the Knights of Labor?—A. Yes, sir.

Q. Not Mr. Lewis the mine owner?—A. No, sir.

Q. What settlement has he effected?—A. Well, he made a settlement: I have the original communication here.

Q. Have you got them in a newspaper?—A. Yes, sir; and I have the original communication. I would like to ask permission to state my object; I ask first to present a matter to the committee. There is a gentleman from Shenandoah who is here and he requested me to place some matter in the hands of the committee.

Q. We will get to that in a minute. You say here is the original communication and that is this statement?—A. So Mr. Lewis stated to me.

Q. Have you a newspaper copy of it?—A. I think I have. Yes, sir; here it is.

Q. I desire this to go in evidence.

EXHIBIT 48.

PHILADELPHIA, *February* 16, 1888.

STIN CORBIN, Esq.,
President Philadelphia and Reading Railroad Company:

SIR: Being desirous to bring the strike in the mining region of the Reading Coal & Iron Company to a close, in order to get the working people in and about those mines to work, and speaking for those workingmen, I propose to order a resumption of work at once, upon your assurance that I can promise the men that, after they have gone to work and the mining operations are in regular progress, the subject of wages will be considered in conference between the company and its employés, or their representatives, and upon the further assurance that no one shall be discriminated against by reason of his connection with the strike.

Yours, etc.,
(Signed) WILLIAM T. LEWIS.

EXHIBIT 49.

MR. CORBIN'S REPLY.

The Philadelphia and Reading Railroad Company.

PHILADELPHIA, *February* 17, 1888.

r. WILLIAM T. LEWIS:

MY DEAR SIR: I am in receipt of your favor of this date; have consulted Mr. Keim, President of the coal and iron company, in relation to its contents, and am authorized for him to say that it is substantially in accord with our position, and such action would be satisfactory to us. No one will be discriminated against because of his connection with the strike, so that it is not understood as protecting such men as have made or attempted to make personal assaults upon the men remaining at work; and provided further, that in any conference over wages, the miners are not to expect us to pay a higher rate of wages for mining than those paid by the other coal-producing companies in competition with us, namely, the Delaware, Lackawanna and Western, the Delaware and Hudson, the Lehigh Valley, the Lehigh Coal and Navigation Company, and the Lehigh and Wilkes Barre Company, but with the understanding that we are willing to adopt a basis that shall give our miners as much as is paid by either of these companies.

It is understood that the wages to be paid on returning to work will be on the old $2.50 basis, and will remain under the basis until a change shall be mutually agreed upon.

Yours, truly,

AUSTIN CORBIN.

Q. Did that statement settle, in fact, the strike ?—A. No, sir.

Q. That was to go into effect to-day, was it not ?—A. Yes, sir; that was the agreement outlined.

Q. Has it gone into effect to-day ?—A. No; from information I received, not all together.

Q. What information have you received ?—A. I have talked to men from different localities. From my own locality the men refused to accept it and go into resumption until they found out whether the other sections of the county would do the same thing.

Q. What do you call your locality ?—A. The place I reside is Saint Clair, about 3 miles distant.

Q. Are there mines, and miners living there ?—A. There are lots of miners living there, but there are few mines.

Q. Do you know anything about the number of men who have gone back to work ?—A. No, I could not give the number, but the resumption is pretty general from Mahanoy City to Ashland.

Q. About how many men would that comprise ?—A. I could hardly estimate. There are some collieries where the men reported for work and the collieries did not resume. I do not know, but I suppose the number would be from five to eight thousand men.

Q. You think fully that many have resumed ?—A. I think so; I just guess it.

Q. How many men do you estimate are getting out coal ?—A. In the Lower Schuylkill region I estimate the number at 20,000.

Q. Now, you say you have some information put into your hands which you wish to place before the committee; let us see it.—A. I do not know anything more of it than what I can tell you; the gentleman stated to me that the men, according to the terms of the agreement, went to work this morning and were told they could not have any work.

Q. Who were the men and where were they ?—A. Their names a[illegible] residence and statement were written out by the men themselves.

Q. What is the substance of that ?—A. Here is, for instance—

Louis Lehe, head man at New Slope, discharged for not obeying orders. Work[illegible] on the 1st of February; was asked by Superintendent Williams if he would work t[illegible] next day; asked him (Williams) what he was going to pay; was told that he (Wi[illegible]iams) had nothing to do with the pay. Told Mr. Williams he would handle no co[illegible] on those conditions. Remained idle until general order to resume; applied this mo[illegible]ing, February 20, and was told by Mr. Church there was no work for him.

Q. The substance of that is the man applied for work and could n[illegible] get it ?—A. Yes, sir. Here is the statement of this man.

Q. Will you leave that statement with us ?—A. Yes, sir.

Q. You mean there was discrimination against them ?—A. Yes, f[illegible] their participation in the strike.

Q. And Mr. Corbin protested there would be no discrimination ?—[illegible] That is what they complain of.

Q. Who can prove these facts ?—A. I asked that question and [illegible] said the men would come and make affidavit.

Q. Where are the men?—A. In the Shenandoah and the Mahanoy Valley.

Q. How can we get them here?—A. If the committee desire them I think they can be gotten here.

Q. Can you get them here to-morrow morning?—A. I think so, sir.

Mr. **Parker**. How many men are there represented by that document?

A. I guess there are something over 20, may be 25.

Mr. **Chipman**. Do you understand these men all are at the same mine?

A. Yes, sir; at the Suffolk colliery.

Q. You think we can get some of them here in the morning?—A. Yes, sir; I think so.

Mr. **Parker**. Have you any idea whether those men represented by that document are men who have been engaged in acts of violence or assaults?

A. No, sir; I have no knowledge of that, but I was informed by this gentleman that some of these men had worked up to the 1st of February or thereabouts. And they were working at what is known as dead work.

By Mr. **Stone**:

Q. You are holding some official position now in the county?—A. I am a county officer.

Q. You say you have been for years a practical miner?—A. Yes, sir; I worked at all kinds of work in the mines.

Q. The strike, or whatever you choose to call it, between the Coal and Iron Company and its employés, the only difference of opinion was in regard to the wages and the refusal on the part of the company to pay the 8 per cent. advance?—A. Yes, sir.

Q. Have you been acting with these miners in their efforts to secure this advance?—A. Yes, sir.

Q. Now, what I want to know is, can the Reading Coal and Iron Company afford to pay this advance of 8 per cent. without losing money?—A. We believe they can.

Q. Such demand is made upon the theory that the company can afford to do it and yet make money?—A. Yes, sir.

Q. Would the demand be made anyhow, even if it resulted to a loss of the company of the profit on this mining?—A. With each proposition advanced it was coupled with a request to arbitrate and signifying the willingness of the men if the company could not afford to do it, then that ended the matter.

Q. Well, you are one of the prominent and leading actors in this controversy?—A. I am a member of the joint committee and have been for a couple of years.

Q. Now, in exercising the duties of your position and in leading the men to this demand, you ought to do it intelligently and with a knowledge of what you are demanding. Have you investigated the affairs of the Reading Coal and Iron Company?—A. Investigated the affairs?

Q. As to the cost, for instance, of mining and what the Coal and Iron Company can sell the coal for, whether it is selling it at a fair market price, or whether there is any manipulation of the prices in any way so as to deceive the miners and the public, or anything of that sort. In other words, upon what theory or basis of computation do you demand this 8 per cent. advance?—A. The wages of the miners fifteen years ago were much higher than they are to-day, and they are controlled in this way.

Q. How much higher?—A. I could not exactly tell. The wages of the anthracite miners was at pretty high figures years ago during the war and after the war, during the existence of the Workmen's Beneficial Organization.

Q. Some witnesses have testified—Mr. Davis, I believe—that in 1869, 1871, 1882, along there, the average miner could make something like $100 a month ?—A. Yes.

Q. Was that about what he could make ?—A. Yes.

Q. What can he make now ?—A. The wages are different. There are miners making $1.50 a day, and some making $2.50, and others make more, but the average, I suppose, would be about $2 per day.

Q. Are the miners making in the course of the month as much now as they made then ?—A. No, sir.

Q. What percentage less ?—A. I could not exactly state the percentage less, but it is a great deal less.

Q. Twenty-five per cent. less ?—A. I guess that would be a pretty fair estimate.

Q. What is the cause of that reduction ?—A. Well, that is their reduction of expenses. The miners contend that their work is just as hard and laborious now and dangerous.

Q. Do they work as many hours ?—A. Yes, sir.

Q. Doing the same kind of work now as then ?—A. Just the same kind of work, and they contend they are entitled to the same kind of pay, the same amount.

Q. What as to the prices, the market prices of coal now and then ?—A. Well, in those days during the basis system, the miners had their representatives on the Anthracite Board of Trade and the average prices——

Q. What do you call the Anthracite Board of Trade ?—A. A body of operators who conferred with the representatives of the miners.

Q. The railroad people say they never heard of such a thing.—A. Well, there was such a thing as the Anthracite Board of Trade. That was a body composed of operators who met the representatives of the miners.

Q. Where did they meet ?—A. In Pottsville and Philadelphia.

Q. When was that ?—A. During the year 1870, along through.

Q. Very well, they met, and what happened ?—A. They compared prices received, averaged the prices of coal, and based the rate of wages to be paid.

Q. That was all right and proper, but the question I asked you was——A. (Interrupting.) I am getting to that question. In those days the miners knew exactly what the price of coal was in the market, but after the great strike of 1875 the organization collapsed, and during all those years, almost uninterruptedly, there was a certain percentage taken from the miners' pay; sometimes it went as high as 30 per cent. The coal market was controlled and the Coal Exchange issued every month a circular stating the wages of the miner would be so many per cent. below the $2.50 basis. About the year 1885, after the men reorganized they appointed a committee for the purpose of finding out who the Coal Exchange was and how the wages of the miners were regulated, and upon investigation they found out—that was the report of the committee, men who expect to testify before this body—that the Coal Exchange was the Reading Railroad Company, or the president of the Reading Railroad was the Coal Exchange. The men were dissatisfied, as the price of coal at the mines was such as to make them believe that they should not be subjected to this reduction, and upon that they adopted a new basis schedule. That was the origin.

Q. Perhaps you can explain a little more directly the proposition.

Iere is a demand made by the miners upon their employers for an ad- ance in wages; the employers say they are already losing money at the usiness of mining coal and that if the advance is allowed it will un- oubtedly be a loss upon them. If that is true, would you then persist the demand?—A. It would be very unjust.

Q. You would not expect them to yield it if it was really true it would jure them and be a constant accumulating loss?—A. The men would ot ask for it.

Q. Now, do you ask for it with a full knowledge of the fact that it ould not be a loss upon them?—A. No, sir.

Q. You do not know whether it would or not?—A. I do not under- tand that.

Q. I say, then, you would not persist in the demand if you knew it ould result in a loss to the company?—A. No, sir; we would not.

Q. But you do persist in the demand; therefore, are you sure that it ill not result in a loss to the company if allowed?—A. No, I am not ure; no, sir.

Q. Do you know whether the company can afford to pay the 8 per ent. advance?—A. From general knowledge, I do.

Q. If you could tell me definitely, answer one or two questions, I ould calculate it myself. In 1871 your miners received 25 per cent. or hereabouts more than they get now for the same work.—A. Contract iners; yes, sir. When I speak of miners I speak of contract miners; at is, miners working at contract, which is the great majority of the iners in the mines.

Q. Then coal at that time brought a price sufficient to justify the pay- ent of such wages?—A. I suppose so.

Q. Now, if coal is worth as much now as it was then, and if it cost no ore to mine it now than it did then, I can see how the operator could ford to pay as large wages now as he paid then. Now, is it true that e coal is worth as much now as then?—A. Well, its facilities are as od now as then; I am not prepared, of course, to give you the prices coal then.

Q. We can probably find that out. Does it cost any more, outside the ere labor of the miner, to operate the business now than it did then?— . I do not suppose it does. I would not suppose so.

Q. I understand your proposition is to submit the question as to this vance to arbitration?—A. Yes, sir.

Q. Was that the proposition you made at the outset of this diffi- alty?—A. Yes, sir; and continuously. Our proposition advanced quested arbitration in case of a refusal.

Q. Do I understand that the Reading Railroad Company refused to rbitrate?—A. Up to the 14th of September; yes, sir.

Q. And since?—A. They arbitrated it then.

Q. How did you arbitrate that?—A. By acknowledging the receipt f the settlement sent them.

Q. An arbitration must be submitted to somebody. What do you nderstand by the term arbitration?—A. The company officials arbi- rated that themselves by agreeing to the proposal advanced by the iners in the region.

Q. The officials of the Reading Company and the miners got together nd the agreement was made through arbitration?—A. No; it would over an advance of about 15 per cent. It covered all classes of work.

Q. Your proposition now is to have the representatives of the miners nd the railroad officials to meet and discuss the matter and come to a nclusion, if they can; and if they can not, what?—A. To call outside disinterested men and submit the facts in the case to them and let them decide. The officials of the company refused.

Q. If we were sitting here as a board of arbitration between you and the Reading officials, what facts would you have to state to us? We have heard the railroad side at Philadelphia, and they say they can not afford to pay the 8 per cent.; that if they do they will lose money; that every ton will be an absolute loss to them. What facts can you state to the committee to show that it is not true and that they can afford to pay the 8 per cent.?—A. I can not give the prices of coal as received by them on any contract. Based upon the general information—upon the prices of coal published in the public press—is about all the information we can get.

Q. I am requested to ask this question: Is it not true that from about 1875 to 1885 the miners did not know what their wages would be until about a month or six weeks after the wages were earned, and during all this time the wages were arbitrarily fixed by the employers without consulting the miners?—A. Yes, sir; that is true.

Q. Do you mean to say that these men were working along for a month and did not know what they were to get for five or six weeks after the wages were earned?—A. For five or six weeks. The men would have a month's work, and then, in a public statement, as I stated, issued by the Coal Exchange, their wages would be fixed for the month's work.

Q. After the work was done?—A. Yes, sir.

Q. Is there any person you know of here who could explain to this committee, clearly and exactly, the ground upon which this demand for the 8 per cent. is based?—A. I tried to explain that.

Mr. CHIPMAN. If the capacity of the company to pay was taken into account, there must have been some calculation as to the expenses, and I suppose the method of that would be that they would add the 8 per cent. to the market price and take into account the volume of the business, the probable profits of the company, and all those things would be factors which would come in the proposal for that advance. These are factors, and this is the only way to get at it to determine whether the demand is reasonable or not. Is there anything of that sort?

A. There is a difference of opinion as to whether the company made money or lost money. In their statement they claimed they lost $12,000,000. If I understand Mr. Norris, who is one of their competitors, they made $29,000,000.

Mr. STONE. Are you willing to negotiate with the company upon the basis of their books, showing the rate of compensation in previous times as a basis to determine what it should be now?

A. The proposition of the committee was based upon a matter of that kind. Yes, sir; they were willing to accept anything reasonable and just.

Mr. CHIPMAN. In making this demand you say it embraces what coal districts?

A. It includes the lower Schuylkill region, the Lehigh region, and the Panther Creek Valley.

Q. Did they take into consideration, in making the demand, the capacity of output?—A. Yes, sir.

Q. That was taken into consideration?—A. Yes, sir.

EXHIBIT 50.

TURKEY RUN.

Louis Lehe, head man at new slope.—Discharged for not obeying orders; worked on the 1st of February; was asked by Superintendent Williams if he would work next day; asked him (Williams) what he was going to pay; was told that he (Williams) had nothing to do with the pay; told Mr. Williams he would handle no coal on them conditions; remained idle until general order to resume; applied this morning (February 20), and was told by Mr. Church there was no work for him.

Thomas Brennan, head man at old slope.—Discharged this morning for refusing to take Mr. Lehe's place, Mr. Church discharging him; asked him what was wrong with Mr. Lehe; was told by Church that Lehe was discharged; told Mr. Church he would not take his place; discharged him peremptorily.

SHENANDOAH CITY COLLIERY.

Thomas Hough, engineer at Shenandoah, coal-plane. Engineer went to work this morning; was told by boss that all hands were suspended, with another man in his place; worked on the 27th of January, 1888; was notified by the boss that on the following Monday they would be expected to hoist coal; notified the boss on Saturday, the 28th instant, that they were called out.

B. F. Woomer, quit work February 2. Told foreman that he could not hoist non-union coal. The foreman did not ask him to hoist the coal. Left engine and all things in first-class condition. Was told on February 20 that there was no work for him. Always obeyed orders.

SHENANDOAH CITY COLLIERY SLOPE.

Harry Flaherty, dirt-plane engineer.—Quit work in obedience to the order of the joint committee, issued on January 7; finished his work and laid off nine days; by persuasion of the boss went back again. Was again called out on January 30, and obeyed it. On the same night Superintendent Williams sent for him and asked him to go to work the next day; he told him that he would be expected to do his own work and none other. Mr. Flaherty told superintendent that he could not, as all hands were called off; worked two days after first order, putting steam-heater together; quit on the 11th, remained out four days, then commenced work under appeal of the outside foreman, Marshal Bough, Shenandoah City colliery. Worked until Saturday, 28th, when they were again called out—Harry Flaherty and Lewis Eker, breaker engineers.

TURKEY RUN COLLIERY.

Henry Moll and William Major, slope engineers, worked allalong during January until 31st, pumping water and repairing; was told on February 1 that they would have to hoist coal on February 2; told foreman that according to orders they could not do it; was answered "Very well." On the night of the 1st of February met Superintendent Williams and asked him if they were discharged; was told by him (Williams) *no*, they could not consider themselves discharged; went to work on February 20 as per agreement of general order; on arrival at colliery was told by foreman there was no work for them; asked the foreman if they were discharged, and received the answer they were.

SHENANDOAH CITY COLLIERY.

SHENANDOAH, FEBRUARY 20, 1888.

George H. Carl, boss loader, discharged for refusing to put on coal on the bottom on February 2, 1888; reported for duty on 20th; was told there was no work for him by the inside foreman, Carl.

Monroe Bankis, driver, refused to put on coal on February 1, 1888; reported for duty on February 20, 1888, and was told by inside foreman's son, George Carl, that there was no work for him.

James Major, load boss, refused to hoist coal on February 2; was sent for on the 3d, and told the boss that he would do his own work; he did not go to work, as he knew that he would have to handle coal; reported for duty February 20, 1888, and was told by Inside Foreman Carl that there was no more work for him.

Fred Dovey, fire boss and repairman, refused to take another man's place on bottom of slope to handle coal, February 2, and was told that if he did not do it he could not hold the position that he then held, as he was duty bound to the company to do so. Superintendent Williams sent word by inside foreman that he need not come out on Monday, as he was discharged.

The following is a verbal report of men working at the different collieries who have been discharged on account of the strike:

Frank Heiser, Suffolk collieries; driving gangway, west diamond. Obeyed order to stop work December 31. Sent for by the boss; refused to go until matters were settled. Went to his usual work or place on Monday, 20th, prepared to work as per agreement of Messrs. Corbin and Lewis; was told by Mr. Skates, foreman, that his place was filled, and there was no work for him; did not ask him what he was discharged for; made him no answer, but that it was all right.

Engineers, Turkey Run.—Thomas F. Bresslin, dirt plane; William Johnson, locomotive; William Major, slope; Henry Moll, slope; Henry Smith, breaker engineer; Albert Smith, coal plane. All told they were discharged for not obeying orders to run their engines when ordered to do so.

Suffolk Colliery.—John Galleghor, miner, obeyed order on January 1 to cease work. Reported for work this morning, as per general order; was told by Mine Foreman John Skeath there was no work for him; there was another man in his place.

James Ryan, miner, reported for work this morning, February 20, as per general order; was told by boss that his place was not going to start; asked the foreman if there was anything else for him to do; was told *no;* asked him if he was discharged; said *no;* but that he could not start his place on account of rock, although the other gangway was permitted to work, and both being in the same condition.

JOHN L. LEE—Recalled.

By the CHAIRMAN:

Q. Are you advised as to the statement made by Mr. Sweigard, making a grave charge against you, and have you seen a copy of the documents he submitted?—A. I saw a newspaper.

Q. You have not seen the originals of the letter you wrote him and the receipt you gave him for wages paid you in the service of the company?—A. Special services?

Q. Yes, sir.—A. That is correct.

Q. You do not care to see the original papers?—A. The letter I wrote Mr. Sweigard?

Q. Do you or not wish to see the original papers? The committee propose to give you an opportunity to answer Mr. Sweigard's charge and to make any explanation you wish to make. Of course, we have nothing to do with any personal quarrel between you and Mr. Sweigard. We simply propose to give you an opportunity to answer the charge against you.

The WITNESS. I would like to see that letter. (The letter was handed him.) The point you want to know is, when I was rendering Mr. Sweigard special services, whether I was in the employ of the Reading Railroad or the Knights of Labor. Now, that voucher called for services rendered in October. The greater part of that service was rendered in September. The first place I went to do special work for the company was Elizabethport; there was trouble there. Mr. Cahill, who was secretary of the executive board, I told him to go there, but he could not go, and Mr. Sweigard sent to the shop for me and said he would like if I would go there. Mr. Cahill saw me again, and then I was employed to go there, with the understanding my time should go on. I went there and settled that difficulty to the satisfaction of the men and to the satisfaction of the company.

There was trouble at Bridgeport and a strike took place there. Mr. Sweigard wanted to suspend some Knights of Labor and he called my attention to it. I told him if he would suspend the men there without investigating it, there would be trouble, as I understood, as it had been reported to me by members of the order, that the men were not to blame, they had struck after notifying Mr. Cushing. So Mr. Sweigard sent me to Bridgeport. I investigated the matter fully, and my report was that the men were justified in the action they took, and if there was any suspension to take place, the proper party would be Mr. Wayland, for in my opinion Mr. Wayland caused the whole trouble and not the men. When pay day came in October there was a great many mistakes with the men at Ninth and Green, some 25 or 30. Some men were short as

is $50 and some $20; along with the rest I was included. My
as to be settled at $2.50 a day. They settled at $2.40. I was ap-
ed on a committee that went to the Fourth street office to have
mistakes rectified. I told Mr. Spangler my time was short and
ages were not right. He said, I would have to wait until he con-
with Mr. Cushing. Now I came here to settle the difficulty at
lkill Haven about the 22d or 23d of October, about that date.

convention had met in Shamokin and appointed a committee to
aid for the miners in the Lehigh region. Mr. Charles Bensimur,
k, was appointed on the committee. Mr. Bensimur declined to
on the committee, and requested the president of the convention
oint me in his place. I consented to act, and I staid here in
ville, not with the consent of Mr. Sweigard, and not with the con-
f my foreman. I did not notify any of those gentlemen until I
back to Philadelphia, and that part of Mr. Sweigard's statement
when he said he asked me to go to Pottsville. He had no knowl-
of the fact that I was coming here on this committee. The service,
I signed that voucher. I called Mr. Sweigard's attention to this
I said: "Mr. Sweigard, why do you put 'special service' there;
on't you make it like the others?" He said, "In the shop you
there what work you work on. That is put in that slip so that
ow what you did. We could not put this work on as machinist
and, consequently, we have to put it as special service." I said,
er these circumstances, I will accept it." I then took the voucher
and, fearing that Mr. Sweigard would make it appear, in case
was any trouble, that I was playing double with the company and
en, I called in Mr. Houghton, whom I telegraphed to come here
. I placed the voucher before him and told him what I was get-
ay for, and told him I thought Mr. Sweigard was laying a plot or
e if anything turned up between the organization and the com-
that he might put me as a man working against the organization
the interest of the company. I called him as a witness of what
oing on between me and Mr. Sweigard; I let him know as a mem-
the organization.

organization on the main line previous to this, when they started
make a trip, no matter how many hours was consumed in making
ip, it only counted a day. The men sometimes were out seventeen
per day. We believed that was an injustice and appointed a com-
to go to the Fourth street office to settle that twelve hours should
ay's wage. All time over twelve hours went in as overtime. Now,
isiness, of course, after the strike in the Lehigh region there was a
age or stoppage of trains along the road. Mr. Sweigard attribu-
as delay to the fact that the men were paid for overtime, and con-
n'ly they were to blame for delaying the trains. I was sent out
estigate it and find out the trouble. I traced it from one end of
ne to the other, and I reported to Mr. Swegard that the men were
elaying the trains; that in my judgment, and what I learned from
sentative railroad men, that the men who were dispatchers were
petent to discharge the duties of the position they held. Mr.
gard wanted that traced right to the highest authority I could.
able, who came here under the new management, was aspiring to
osition of Mr. Sweigard, and Mr. Swegard was particularly
us to trace this delay to Cable. That is the special work I was
for. In reference to the letter which I sent, we had some difficulty
g the men here about the Cressona run. The men waited upon
t the Exchange Hotel and told me what they wanted to tell m

length. Mr. Sweigard had promised to make some change, and I wrote him something of this kind: "Mr. Sweigard, the men will put up with this no longer. Now I advise you to meet this committee; there is a committee coming to meet you; I advise you to meet this committee and change this run. I think it will be in the interest of the company. I think the company is losing money now, and if you make this change it will be for the good of the men and work good for the company."

Q. You deny his charge, that while you were doing this special service for the company and receiving pay from it you were at the same time in the service of the Knights of Labor and receiving pay from them?—A. I was in the service of the company as a machinist, and had a consultation with Mr. Sweigard, and went to investigate this trouble, with the understanding I was to be paid by the company. I also deny that I came here at the request of Mr. Sweigard.

Q. That is, that you came to Pottsville at his request. What about the letter?—A. I wrote that letter to Mr. Sweigard.

Q. You admit that?—A. I admit the writing of that letter; yes, sir. I wrote that letter in the presence of two or three members of our order at the Exchange Hotel.

Q. And that voucher?—A. I admit that, with the understanding that part of that time is due to September and part to October. Mr. Sweigard went on to say in regard to the subject that it would make no difference.

Mr. ANDERSON. But all prior to this strike?

A. Yes, sir.

The CHAIRMAN. The time covered by that receipt included the time you were getting $2.50 from the railroad company—was that the compensation it was paying you?—and you drew pay both from the company and from the Knights of Labor, as the agent of both parties, at the time that voucher purports to be a receipt for pay they owed you?

A. No, sir. I do not admit that. I admit I was in the service of this company until November. After November I reported off duty. The greater part of that $12.50 was due me from September.

Q. That you were in the employ of the company, but they chose to detach you from that service and put you on special duties to find out a difficulty on the railroad?—A. Yes, sir; that is all. I was understood as a machinist in the employ of the company, and representative men requested me to do this work while in the company's service.

Q. You did it mostly in September?—A. Yes. sir

Mr. STONE. The rest of it in what month?

A. Some in October.

The CHAIRMAN. The committee proposed simply to give you an opportunity to meet the charge which Mr. Sweigard made against you. We have nothing to do with your and Mr. Sweigard's personal difficulties or misunderstandings. We only wish to extend fair play to you.

A. The reason I was desirous of coming before you was, that the impression was given abroad that Mr. Sweigard stated that I was a secret agent of his.

Q. That you took pay from both sides. That is the reason we gave you an opportunity to tell all you wanted to tell?—A. I think I have told what I wanted.

Mr. ANDERSON. If Mr. Sweigard wanted to hurt you, could he take a better method of striking you under the fifth rib than this?

A. No, sir.

Q. This is the worst blow he can hit you?—A. Yes, sir.

TESTIMONY OF JOHN M. BOCK.

SHENANDOAH, PA., *February* 21.

JOHN M. BOCK, sworn and examined.

By Mr. CHIPMAN:

Q. What is your name?—A. John M. Bock.

Q. Where do you reside?—A. In Shenandoah.

Q. In this town?—A. Yes, sir.

Q. What is your business?—A. Laboring in a mine.

Q. In what capacity do you labor in a mine?—A. On the bottom; I put coal on the cage.

Q. You are not a miner?—A. No, sir; not at present.

Q. At whose mine are you working?—A. Philadelphia and Reading Coal and Iron Company.

Q. How long have you worked there?—A. I started to work there in November, 1887, and I have been there with the colliery perhaps a year or so.

Q. How long have you worked for the company?—A. Since the company owned the colliery.

Q. When did the company first own it?—A. I think it was three years ago since the Reading Company got charge.

Q. Who owned it?—A. Hechscher & Co.

Q. They were a private company?—A. Hechscher, that owned the colliery.

Q. Did they work it up until three years ago?—A. I could not say that exactly, but I think they took charge of it three years the 1st day of January.

Q. What do you mean by taking charge of it?—A. Since they owned and operated it.

Q. Do you know whether they leased it or bought it?—A. I think they bought it.

Q. You do not know on that subject?—A. No, sir.

Q. Where were you born?—A. McConnellsburgh.

Q. How old are you?—A. Twenty-six years of age.

Q. Is that a mining district?—A. No, sir; it is a farming country.

Q. When did you first come into the mines?—A. The first time I went into the mines to work was eleven or twelve years ago.

Q. Where did you go in?—A. The first place was the Reading, that is, worked inside.

Q. That was eleven or twelve years ago?—A. Yes, sir.

Q. Where are you working to-day?—A. I am not working at any place to-day, although I worked yesterday at the Coal and Iron Colliery.

Q. Why are you not working to-day?—A. I could have worked to-day, but I got a leave of absence to attend the polls.

Q. There is an election here to-day?—A. Yes, sir.

Q. Have you been out on strike?—A. Yes, sir; I have been on strike; that is I have been idle since the strike took place.

Q. When was that?—A. I could not give the day or date exactly, but it was the latter end of December.

Q. The other people at your mine, did they continue at work?—A. No, sir; in fact we were compelled to quit work in one sense of the word. As soon as we did not get any more cars to work we could not work. As soon as the schutes were blocked by cars we had to quit work.

Q. You mean there was no cars to take the coal off?—A. No, sir.

Q. When was that?—A. The latter end of December.

Q. How did that come about?—A. I could not tell exactly. When it was dumped, with the railroads out on strike, of course we could not get cars.

Q. As you understood it, you did not get cars to take off the coal because the railroaders had struck?—A. Yes, sir.

Q. Well, when these schutes got full, you could not put any more coal in them?—A. Yes, sir.

Q. They could not carry coal off to the cars, so there was no outlet for the coal; that is what you mean?—A. Yes, sir.

Q. When was that?—A. In the latter end of December; I could not give the date.

Q. You can remember the 27th or 28th, somewhere along there. Was it not near the 1st of January?—A. Yes, sir; it was after Christmas.

Q. It was after the railroad strike?—A. Yes, sir; since the railroaders had struck.

Q. How long did that state of things continue?—A. That continued, I guess, perhaps two weeks or more, when it had been reported they were going to start up a breaker, but I understand nobody went up to put the coal through. I could not tell you the day; I think the schutes were empty then, that is, they sold the coal, the parties there. Then they were going to hoist coal. These teams went away to purchase coal to distribute among the people in town.

Q. What took place then?—A. I understood then some parties, that is, officials or bosses, said they were going to start the colliery, but I understood there were only one or two of the boys that worked. A brother of mine and an inside boss hand were the only ones.

Q. How old is your brother?—A. Nineteen or twenty.

Q. How old was the other boy?—A. About the same age.

Q. You understood they were the only two hands who went to work?—A. Yes, sir.

Q. Why did you not go to work?—A. Because I thought there would be nobody else, and I would be of no use myself.

Q. Had you struck then?—A. I was idle, certainly, with other people.

Q. Had you struck?—A. In one sense of the word I had not struck altogether. A person strikes when they go to a colliery and refuse to work; then that is a strike.

Q. Did you go to the colliery?—A. No, sir.

Q. How long were you absent from the colliery?—A. I have not been at the colliery since I went for pay for January wages; I have not been there for work or working since, until yesterday.

Q. How long since you made any wages, say up to yesterday?—A. None, except what I earned in the latter end of December.

Q You were paid for that?—A. Yes, sir.

Q. Have you reported for work since, until yesterday?—A. Not until yesterday morning.

Q. Have you been asked to go to work since?—A. No, sir.

Q. You say the men generally in that colliery did not go to work; that only two boys, two young men, have been at work since the 1st of January?—A. There might be about 200 on that shaft.

Q. What were they doing?—A. All sorts of work, some driving, some running wagons, hoisting coal out of the slopes, etc.

Q. Were they men at work there before the 1st of January?—A. That is whom I am speaking of now; yes, sir; I suppose so.

Q. Were they old hands of the mines?—A. Yes; I call them old hands when a person works a few days.

Q. Had they worked there before the 1st of January?—A. Yes, sir.

Q. Do you know how long the men had worked before then?—A. I could not tell, but the majority of them had worked before that.

Q. Did they continue working right along?—A. No, sir.

Q. Did they stop work?—A. Yes, sir.

Q. How long?—A. Up to yesterday morning.

Q. Since the 1st of January there have been 200 or 300 hands at work?—A. No, sir.

Q. You mean that yesterday 200 or 300 hands returned to work?—A. No, sir.

Q. What do you mean by these 200 or 300 people, then; what is it you do mean?—A. I mean there were about 250 men employed before the colliery stopped.

Q. That was before?—A. Yes, sir; at that shaft.

Q. When did all these men stop work?—A. The day that they had no more cars to work. We stopped about 11 o'clock, when we could hoist no more.

Q. Since yesterday noon have they gone back to work?—A. Might have been three or four, but not enough to run the place.

Q. Were men doing dead work there, such as running engines, etc?—A. Yes.

Q. Have they struck or stopped work anywhere?—A. They did not refuse to keep pumping water, as far as I know. The engineers are there still, with the exception of one who I think, refused; and I understand he has lost his situation somehow or other. He is not working there now.

Q. Then those men who were necessary to keep the mine in order so as to be ready to mine, with the exception of this one man, kept at their places?—A. This one man, he had nothing to do with it. The reason I understand he was discharged was, he was asked to hoist coal a few weeks ago when they were supposed to start up, but he refused to hoist coal for scabs, and of course his services were no longer required.

Q. He has not been taken back?—A. That is the way I understand it.

Q. Who were the scabs, whom you called scabs, there?—A. That did not allude to any parties there. The parties he alluded to were those who took the railroaders' places.

Q. He would not hoist for railroad scabs?—A. Yes, sir; or put coal on the cars of these railroaders.

Q. Who were at work in the mines you say about two or three weeks ago?—A. The parties who went to put coal out of the mine, as far as I understand, were the fire boss, loader boss, and two team drivers and one other man.

Q. That made a force of how many?—A. Oh, about five or six men.

Q. And these were the men who were working in the mine for whom he refused to hoist coal on account of their being scabs, or men who had taken the places of the railroad strikers?—A. Yes, sir; that is the way I understand it.

Q. Do you know how much, if any, was got out of the mine during the strike, say from the 1st of January up to yesterday?—A. I should judge out of that shaft perhaps a hundred wagons.

Q. That would be how many tons?—A. Perhaps 300 tons.

Q. Do you belong to the Knights of Labor?—A. Yes, sir.

Q. Did you understand that there was any strike ordered in the mines?—A. That I could not tell. I could not tell whether it was ordered officially. All I heard was they had struck, or something like that

Q. Do you know whether you have been on strike or not?—A. I do not know that just exactly.

Q. Did you know that last Saturday?—A. I had an idea I was.

Q. And Monday, you went to work again, when you had an idea you had not been on a strike?—A. On Monday I think the strike was declared off.

Q. Then you thought up to last Saturday, or the time you saw the order of Master Workman Lewis, that you had been on strike?—A. Yes; I thought I had been on strike.

Q. Have you gone to work again in consequence of that order?—A. Yes, sir; I went when the order was issued to work.

Q. Will you tell me what you struck for?—A. I can tell you that.

Q. That is just what we want to know. We want to get the reason you gentlemen had, and we want them stated fully, and just exactly as it occurred.—A. The reason, as far as I know, was that from September on up to the end of the year we received 8 per cent. above the $2.50 basis, and 33⅓ per cent. above the $2.50 on the average the miners received on their regular wages, and that agreement was to have expired on the 1st of January. Then, as I understand it, there was a committee who tried to get a new resolution, or new agreement, but failed to do so; and then, of course—and during that time the railroaders had struck and we could not get any cars, and of course we could not work; and then some time in January, I could not tell which day, it was rumored that the miners had struck, and that we would not work until we got an agreement signed for the 8 per cent., but as far as official notice is concerned, we should have been notified at meeting of anything like that. Of course I know there was a strike declared.

Q. When did you first know there was a strike?—A. That I could not tell, but pretty soon after we were told it was declared.

Q. Pretty soon after the 1st of January?—A. Yes, sir.

Q. And that continued until this order of Mr. Lewis declared this strike off?—A. Yes, sir.

Q. Under which order you went to work yesterday morning?—A. Yes, sir.

Q. Now you have given three reasons. First, that you desired to have the 8 per cent. in advance of the 33 per cent. on the $2.50 basis continued after the 1st of January. That is one reason?—A. Yes, sir.

Q. Another reason you have given is you did not get cars to relieve the schutes to carry off the coal gotten out?—A. In the month of December—understand me right—we did not always get cars when we wanted to work.

Q. That is only two or three days. Then you have spoken of the railroad strike; did that influence you in striking?—A. No, sir; we stopped because we had no cars.

Q. Did sympathy and an effort to assist the railroad men induce your strike, or induce you to keep out and continue the strike until it was ended to their advantage?—A. No, sir; if the matter was settled, this matter with the railroad, in my opinion it would have nothing to do with it.

Q. What was the fact?—A. I can not speak for other men.

Q. You have been laboring at the mining business since you were a lad; you are now a full-grown man. How much wages have you been getting?—A. Well, different prices. Of course, if you want me to tell them, I will do it.

Q. What were your highest wages for last year?—A. I can not tell by the year, but this last year I think I earned the most wages for the simple reason I was working contract work.

Q. What have you been making a day?—A. These last few months n the year I have earned on an average about $3 a day.

Q. And how many days in the month?—A. Well, twenty-four or wenty-five.

Q. Up to the time of the railroad strike did you lose any days on acount of the mines stopping and not supplying you with work?—A. Yes, sometimes; when anybody got killed, or anything like that, we would lay idle to bury a person killed, and so on; and if the machinery broke, and so on.

Q. Does that happen frequently?—A. Sometimes it might happen two and three times in one week.

Q. And probably once in a year?—Yes, sir; and probably once in a year.

Q. These are accidents?—A. Yes, sir.

Q. I mean by reason of the mines stopping work?—A. Oftentimes we could not get the cars and we would work a half a day, perhaps, and three-quarters of a day, perhaps, and the next day full, and so on.

Q. Sometimes at these mines which belong to and are worked by the railroad company, there would be occasions when there would not be cars to take the output from the coal mines. How often did that happen?—A. Sometimes it happened very often.

Q. Have you an idea how frequently that would happen in a year?—A. No, sir; I could not tell.

Q. You say it happens frequently?—A. Yes, sir; but I could not tell.

Q. What became of your time while waiting for these cars to come?—A. Sometimes I would be idle. Sometimes I would be putting down timber or something in the shaft.

Q. How would that be in regard to the rest of the men in the work?—A. The miners, as soon as they had no cars to put in coal, they would have naturally to go home.

Q. They would have to lose time?—A. Yes, sir.

Q. They get no pay for that?—A. No, sir.

Q. You say for the last three or four months before the 1st of January you made about $3 a day. How did you do before that?—A. I did not earn as much; the wages were not as good.

Q. Can you tell how much you earned before that?—A. About $2.50.

Q. During the last year?—A. Yes; during the summer months I might earn $2.50, and during the winter months about $2—from this me up to April, say.

Q. Then you varied. Have you any idea what other men earned?—. I know some men did not earn, perhaps, $1.50 or $1.75.

Q. Is that all they earn?—A. They do not earn as much as that on average in a month.

Q. On the days they actually worked and did not work, of course. ow many days in a year would they work at that rate?—A. I could t tell exactly.

Q. Sundays come out?—A. Yes, sir.

Q. Any holidays?—A. I should judge we work about eight months a year. I do not think it averages any more, if it averages that much.

Q. At the rate of $1.50 a day?—A. Yes, sir.

Q. Are they men of family?—A. Yes, sir; some with families that only arn $1.50.

Q. Where do these men live?—A. Right here in the town.

Q. On whose property do they live in general; is it owned by the miners?—A. Some live in company houses; that is, owned by the Reading Company, that is, at our colliery.

Q. How many of that class?—A. I could not tell; perhaps 30 families.

Q. Do you know what rents they pay?—A. Some of the houses are larger than others; the larger ones they pay $7.50, and the smaller ones $5.

Q. What do these houses cost to build?—A. I judge the large company houses could be built—these are double houses where two families live in—for about $1,200.

Q. These are the ones renting for $7.50 apiece. How much do the $5 a month houses cost?—A. I think they could be built for about $300.

Q. Is there any value to town lots here?—A. There is to town lots.

Q. Are these houses in the town?—A. Yes, sir.

Q. Is this a city or town?—A. It is a borough.

Q. A sort of township?—A. Yes, sir.

Q. Is there any value, special value, to the lots here?—A. There is to some, but these houses are built on leased ground.

Q. Leased from whom?—A. From the Shaffer-Gilbert estate.

Q. Leased from whom?—A. The parties who own the land.

Q. And the company gets the land from these parties?—A. They lease it.

Q. How big are the lots to these houses?—A. Some of the houses have no lots at all; they are all built in one square, in two rows, one behind the other, and there are no lots, only different people make a little patch of garden for themselves.

Q. Do you know the value of the lots; are they worth $25 apiece; I mean these lots these rented houses are on?—A. Yes, sir.

Q. Worth $50 or $100?—A. I should judge the large houses, the lots would be worth about $300.

Q. And the small lots?—A. About $100 to $150.

Q. Which are in the majority, the small lots or the big ones?—A. I think there are more families living in the big ones than in the small ones.

Q. You say these big houses are all rented at $7.50 apiece—$15 a month?—A. Seven dollars to $7.50 each.

Q. And houses costing about $1,200 and lots worth about $300 rent from $14 to $15 a month?—A. Yes, sir.

Q. Do you know whether there are any company stores here?—A. There is none, only at Lost Creek.

Q. Do you trade at Lost Creek?—A. No, sir.

Q. Where do you trade?—A. Right in town.

Q. Where do the miners of your mine trade?—A. In town.

Q. The railroad goes right through this valley?—A. Yes, sir.

Q. How many mines are there in this immediate vicinity?—A. I could not tell that without counting them.

Q. Well, count them, if you please.—A. Kehley's Run, Fowler, Ellan Gowan, Davis's, Miller's, West Shenandoah, Turkey Run, William Penn, Number Four, and Number Three collieries.

Q. These reach how far?—A. About a mile and a half, I judge, is the farthest one.

Q. You mean Hechscher?—A. I do not know whether that or Kohinoor.

Q. How many men are employed in these collieries?—A. I could not tell; I judge, though, there is about 400 men works at each one of the collieries, on an average.

Q. That would be 4,800 men; you mean for the twelve mines. What did these men do on the 1st of January and since?—A. I understand the majority of them has been idle.

Q. Have any of these men been working, except on what is called dead work?—A. William Penn colliery and Kehley Run have worked off and on.

Q. William Penn is a private colliery?—A. Yes, sir.

Q. Kehley Run is a private colliery?—A. Yes, sir.

Q. They paid the 8 per cent.; the William Penn colliery paid that?—A. Yes, sir.

Q. What did the other do?—A. Kehley Run, they pay 8 per cent.

Q. Did all the men remain?—A. I do not know whether any of the men—I could not tell; I am not working at that colliery.

Q. How many private collieries are there other than you have mentioned?—A. Only the two.

Q. Do you remember formerly whether there were any other private collieries?—A. Kehley Run and Hechscher colliery.

Q. Who owns that now?—A. The Reading Company.

Q. When was that a private colliery last?—A. About three years or a little more.

Q. This other one, what do you call that?—A. Kehley Run.

Q. Do you know any other private collieries the Reading has now leased or controls?—A. There is Miller's, then Shenandoah City colliery; they were all owned by individuals some years ago.

Q. Who owned it, do you remember?—A. I think Miller and Rhodes.

Q. How long ago was that?—A. That I could not tell; about ten or eleven years ago, I think.

Q. Since then you say the company has operated it?—A. Yes, sir.

Q. Now you say that most of the men in all these collieries went out. What do you mean by "most;" what proportion of them went out?—A. I should judge about nine-tenths of them—that is, quit work.

Q. Do you know whether these men as a rule struck voluntarily or not?—A. I suppose they did it on their own accord; they were not compelled to, as far as I know.

Q. The majority of these men belong to labor organizations?—A. I think so.

Q. Does a majority or all of them belong?—A. I could not tell whether all belong or whether a majority do.

Q. Do you know of any men or do you understand that any men who do not belong to a labor organization are working in any of these mines?—A. Whether there are any persons working at the mines who do not belong to a labor organization; yes, sir.

Q. How many?—A. I could not tell that.

Q. Have you had any trouble here?—A. There was some trouble here.

Q. What was the trouble?—A. It might be termed a riot, down at Shenandoah City colliery.

Q. When was that?—A. I could not tell the date.

Q. Was it a year ago?—A. No; a few weeks ago.

Q. Two or three weeks ago?—A. Yes, sir.

Q. Where is Shenandoah City colliery?—A. Down in this direction [pointing].

Q. About how far?—A. About four or five hundred yards from here.

Q. When was the date of that?—A. I could not give the date, but it was on Friday evening.

Q. How many weeks ago?—A. Two or three weeks; I could not tell exactly, really.

Q. Friday, two or three weeks ago last Friday or next Friday?—A. Next Friday it will be three weeks.

Q. Do you know anything about that; were you there?—A. Yes, sir; I was there.

Q. Please tell us what you know, what occasioned it, and who did it.—A. I happened to be down on Main street, corner of Main and Oak, when I seen a crowd down in the direction of the gas-house where this colliery is situated. I went down to see what was going on. When I got down I seen the crowd standing, and I walked towards the crowd, and in the middle of that crowd I saw a Coal and Iron policeman standing and some man of this town was talking with him. I asked what was the matter and they said nothing, only a little trouble and so on.

Q. Who said that?—A. This other man.

Q. Policeman?—A. No; the other man.

Q. Was he a working man, a miner?—A. I could not tell whether he was working in the mines or not. I was standing there for a couple of minutes, I could not state exactly how long, and during this time this Miller and Rhodes had quit work and a boy was coming over from the breaker towards the railroad, and the crowd was standing on this side of the railroad. While this boy or young man—he must have been sixteen or seventeen—was coming along I seen a man running towards him. I thought the man running towards him wanted to chase him home, and somebody was throwing snow-balls or something at him. When he was chased I saw the Coal and Iron police, and the two of them got tussling at each other.

Q. Who?—A. The Coal and Iron police, and this man chasing this boy, and of course when this occurred parties were holloaing "scab!" and throwing snow.

Q. Who were they holloaing "scab!" at?—A. I think at this boy.

Q. Do you not know who they were throwing snow at?—A. At this boy.

Q. How many Coal and Iron police were there?—A. There was just one at this time on this side of the railroad.

Q. What took place?—A. Then, of course, when one started to throw snow, etc., they all started, rushed over where this Coal and Iron police and the men were, throwing snow and stones, and anything that they come to.

Q. Who were they throwing at?—A. In the crowd.

Q. Who were throwing in the crowd?—A. Parties from behind.

Q. Who were they throwing at in the crowd?—A. They were throwing into the crowd. I could not say whether they were exactly throwing at the Coal and Iron police or who, but I suppose they were.

Q. The miners were throwing or not?—A. They were parties employed around here; yes, sir.

Q. Men who were in the crowds besides miners and mine hands?—A. Yes, sir.

Q. Were they throwing at each other or at this policeman?—A. As I said before, I think, they were throwing at the policeman.

Q. How many policemen were there then?—A. Then there might have been three or four.

Q. What became of the man who was chasing the boy?—A. That I could not tell.

Q. What became of the boy?—A. That I could not tell.

Q. Then there were these three policemen?—A. Yes, sir.

Q. What did they do with them?—A. They were marching up the railroad, and when they started to throw stones, sticks, etc., I came to the conclusion the wisest thing for me would be not to go too near, and I came along there and went up on top of a little bank there. I staid on this bank and I saw that they started to shoot.

Q. Shoot at whom, and who were shooting?—A. The policemen, as I understand, and the crowd that was after them.

Q. How many were in the crowd, do you think?—A. That is a pretty hard thing to say; about three hundred.

Q. There were only three policemen?—A. Three or four at the time.

Q. Were these policemen in uniform?—A. No, sir.

Q. Had they any weapons?—A. Yes, sir.

Q. What were they?—A. I seen revolvers they had.

Q. How many had revolvers?—A. I seen a couple with revolvers.

Q. You said they began shooting. Who were they; were the men shooting?—A. The policemen.

Q. Are you sure the policemen fired first?—A. I can not say that, but I saw a policeman shoot.

Q. How many policemen shot?—A. I can only remember one.

Q. Who at?—A. At the mob; into the crowd.

Q. Did you see his pistol?—A. Yes, sir.

Q. How far off were they?—A. About 15 or 20 yards at the farthest.

Q. Did you see him distinctly?—A. Yes, sir.

Q. You say you went on rising ground; who was with you?—A. Mr. Cather.

Q. Where is he?—A. He lives here in town; he is in the drug store right down here.

Q. Did the policemen hit anybody when they fired into the crowd?—A. I could not tell whether the policemen hit anybody or not. When they got on up the railroad I could not see.

Q. Where was the crowd?—A. They were rushing after the police.

Q. When the policemen fired what took place then?—A. When I was standing on the bank I seen a policeman in a sort of sitting positain, something like this, and he fired towards the crowd on the railroad.

Q. Policeman or policemen?—A. Only one.

Q. Where were the others?—A. They were there.

Q. Did they stand by each other?—A. They were pretty close together.

Q. You saw one in a sitting position fire up the railroad?—A. No, sir; down the railroad.

Q. Where was the crowd?—A. Down the railroad.

Q. How far off were they from him?—A. Something better than 4 yards.

Q. Had there been any other shots up to this time, firing besides the policemen you saw firing?—A. Not that I can remember.

Q. Was that the first or second time you saw the policeman fire?—A. That was the first time when I seen him fire.

Q. Then what did the policeman do?—A. He fired into the crowd, and I think that somebody ran there, and again he fired down between two cars.

Q. So there were two shots fired. Were there any other shots fired?—A. Yes, sir.

Q. Who fired them?—A. That I could not tell; they went up the railroad.

Q. Were the policemen firing them?—A. I could not tell.

Q. You say one of the policemen fired two shots; did you see any policemen shooting?—A. There were some shooting.

Q. Did you see any other policeman shooting?—A. Not that I can remember.

Q. Where did the other shooting come from?—A. Up the railroad. There was another crowd and some shooting going on there, but it was pretty far.

Q. Were they firing at the policemen?—A. That I could not tell.

Q. How far from the police was this other crowd?—A. The other crowd above seemed to have had some police in there.

Q. So there were police in there and firing going on there; and these policemen you spoke of, there was a crowd above them and a crowd below them, and the crowd below was the crowd they were engaged with, and, as I understand, the crowd above on the railroad were engaged with some other policemen. How many police were in that crowd?—A. I could not tell.

Q. Was there any firing by anybody besides the police in this crowd which you were looking at down the railroad?—A. Not that I seen.

Q. I understand you to say that the policeman fired two shots while you were overlooking them with this man, Mr. Cather?—A. When this shooting was going on, when the policeman shot these two shots, a little girl ran towards me and told me a man was shot. As soon as she said that I got down from that bank. I thought it was not safe. Whether there was any other shooting going on or not I could not tell.

Q. Did you not hear?—A. I never heard.

Q. How many shots did you hear fired in that crowd while you were overlooking?—A. Two that I paid especial attention to.

Q. Were any other shots fired in that party?—A. That I could not exactly tell.

Q. Was anybody hurt?—A. I heard there was.

Q. You have heard it?—A. I heard that Mike Heffron was.

Q. Who was he?—A. A young man in town.

Q. What did he do?—A. He has been engaged with the base-ball league.

Q. He is not mining under-ground?—A. No, sir; his business is up in the air.

Q. He is a base-ball man?—A. Yes, sir.

Q. What was he doing there?—A. I do not know.

Q. Did you see him there?—A. No, sir.

Q. Have you seen him since that time?—A. No, sir.

Q. Has he been out since then?—A. I think not.

Q. Do you know where he is now?—A. I know he was sent to the miners' hospital.

Q. Where did you understand he was shot, in what part of the body?—A. In the mouth.

Q. Was he seriously wounded?—A. It was reported at least that he would not recover, but there is some hopes now, I understand.

Q. Is he still sick in the hospital?—A. I do not know whether he is sick or well.

Q. Where is the miners' hospital?—A. Down at Ashland, 7 or 8 miles from here.

Q. Have you heard of anybody else being hurt there?—A. I heard there was a Polander shot, but I do not know what truth there is in it.

Q. What was his name?—A. That I could not tell.

Q. You never heard his name?—A. No, sir.

Q. Who did you hear shot him?—A. I heard the Coal and Iron police shot him.

Q. Now the crowd above. You say there were other policemen there and you heard firing; do you know whether any one was shot there?—A. I do not know.

Q. Have you heard?—A. I have not heard.

Q. Have you heard of any policemen being shot?—A. No, sir.

Q. Did you know the policemen?—A. I knew one that was in the crowd, the one I thought did the shooting; I thought it was Crogler.

Q. Where does he belong?—A. He used to live in this town.

Q. How many of the Coal and Iron police were here?—A. I could not tell; it was reported there was in the neighborhood of sixty.

Q. Do they reside in this town?—A. Very few live in this town; three or four are all I know of.

Q. Where do the rest come from?—A. From the various counties of the State.

Q. How long had they been here at the time of this riot?—A. That I could not tell you, but they had been here a day or so before.

Q. Will you give us the name of this boy whom you say was chased?—A. That I could not tell.

Q. Did you ever hear his name?—A. No, sir.

Q. Did you ever ask who he was?—A. No, sir.

Q. What was the grievance against this boy?—A. It seemed to me if there was any grievance it was against the boy's working.

Q. How working?—A. Working at the colliery.

Q. Was he working at underwages?—A. He was working at the old wages.

Q. You mean the old wages existing up to the 1st of January, on the $2.50 basis. He was working, but he had dropped the 8 per cent.?—A. Yes, sir.

Q. You say the other men were coming from the other colliery; what colliery were they coming from; the men who chased the boy?—A. No, sir; these parties were living in town; they were not working that day.

Q. Were they working?—A. Not that I know of.

Q. Were they on strike?—A. It seems so; they were in their shifting clothes.

Q. What became of the boy?—A. I do not know.

Q. You say he is about seventeen years old?—A. I judge, about sixteen or seventeen years old.

Q. Whether he was hurt or not, you do not know?—A. I could not tell.

Q. Did you ever hear about the boy?—A. No, I could not know; he was quite black, of course.

Q. Have you seen him since?—A. Not that I know of.

Q. He was just as he came out of the mine—had not washed up?—A. No, sir.

Q. To what organization do you belong?—A. I belong to the Knights of Labor.

Q. Which one; there are several thousand branches of that assembly throughout the country; what is the name of your assembly?—A. I belong to Litchman Assembly, No. 3708.

Q. Who named it Litchman; was he a laborer here?—A. Not that I know of.

Q. You do not know Mr. Litchman?—A. No, sir.

Q. How did you come to name the assembly after him if you did not know him?—Because he is one of the head officers of the executive assembly.

Q. Where?—A. Knights of Labor.

Q. Where?—A. In New York, wherever they meet.

Q. Litchman is a man on the general board which was consulted at the time?—A. Yes, sir.

Q. He is not with the Reading Company?—A. No, sir.

Q. Have you told us all you know about the strike?—A. That is about all I know of, only there are parties told me this afternoon one engineer has been discharged from the Coal and Iron colliery.

Q. When; this morning?—A. This morning.

Q. Is that the engineer you spoke of before?—A. No, sir; a different one.

Q. Why was he discharged?—A. I could not tell; only perhaps the reason was he was not out at work.

Q. When?—A. During the time they hoisted these one hundred wagons.

Q. How many men have gone to work here of these men around here; do you know anything about that?—A. I judge there might be two or three at some collieries out of every hundred, and some collieries not that many.

Q. When had they gone to work?—A. At different times.

Q. I mean yesterday morning.—A. I judge at our colliery perhaps half of them worked at the Coal and Iron colliery.

Q. Why did not all work?—A. I do not know.

Q. Did they come for work?—A. Quite a number of them were out at work, but they were all discharged and had no work, on the ground that the boss they employed there about four months, and I was told—this is the way that comes to me—that all company hands he had employed since he became boss there should be discharged and stopped off for work.

Q. That all company hands employed since he became boss should be discharged? Why, what reason do you give?—A. The reason they told me they were discharged and stopped off was that all men that he had employed—of course, when he got there there was a lot of men there in the employ—and any company men that he employed during the time he had been there that belonged to the Lehigh collieries were suspended and told they had no work.

Q. Those that belonged to the Lehigh were stopped off and those belonging here were kept on?—A. Yes; those belonging to the Reading that had been employed heretofore.

Q. Is the strike off now?—A. I suppose it is, it has been ordered off; at least I went to work.

Q. Can you tell me what proportion of the men have gone to work?—A. I could not tell of other collieries. I know nothing but my own.

Q. Has your assembly met in regard to the strike since Lewis's order?—A. No; not to my knowledge.

Q. Have you had any communication about Lewis's order with the officers of your assembly?—A. No; only we had a meeting here on Sunday, a large meeting, and it was on motion made there that we accepted the order and resumed work on Monday.

Q. Who composed that meeting?—A. The workmen, and perhaps there might have been some business men from our town.

Q. Then it was not a meeting of Knights of Labor?—A. A general meeting of workingmen, everybody and anybody who wanted to come.

Q. How unanimously was that motion carried, or how near unani-

nously?—A. The first time it was put, in fact it was lost, we reconsidered the vote and all voted in favor of going to work except one man as I know of.

Q. Did he go to work?—A. That I could not tell.

By Mr. Parker:

A. Did the sympathy of the Knights of Labor who were miners have any influence upon them in inducing them to strike, I mean the sympathy they had for the railroad strikers?—A. I could not tell that. I hink if they got the 8 per cent. they would have worked.

Q. Then you understand this miners' strike was absolutely upon the question of wages?—A. That is the way I understand it.

Q. Was this boy who was being pursued running alone so far as comrades were concerned?—A. Yes, sir.

Q. Had there not been other men working on the breaker?—A. Some, but they had gone home. Perhaps he was working five or ten minutes at some other work.

Q. He had no comrades in sight?—A. No, sir.

Q. Did this man who was following him have anything in his hands?—A. Not that I can remember. It seems he was throwing snow like that and was chasing him; I could not tell exactly.

Q. Did you see anything of the fracas that occurred on Saturday?—A. I only saw a portion of it.

Q. Tell us briefly what you saw.—A. I merely saw the Coal and Iron police down there at Kehley Run colliery, and of course the crowd was running up the railroad firing shots.

Q. Who fired the shots?—A. Some fired out of the Coal and Iron police; the smoke I seen.

Q. Did you see smoke both ways?—A. Not that I can remember.

Q. What time on Saturday was that?—A. About half past 3 or 4 o'clock.

Q. Did you see any men injured there?—A. Not that I know.

Q. Did you know that any one was injured?—A. No, sir.

Q. Did you hear that any policeman was shot?—A. It was reported so, but afterwards it was rumored it was not so.

Q. You have no knowledge individually that it was so?—A. No, sir.

Q. How many people were gathered there?—A. They was strung along the line.

Q. How many were pursuing the policemen?—A. Perhaps four or ve hundred.

Q. How many policemen were there?—A. Twenty or thirty, I judge.

Q. How were they armed then?—A. They had fire-arms.

Q. Did they have Winchesters?—A. I could not tell.

Q. Did you see any?—A. Not at that time.

Q. Were they dressed alike?—A. No, sir.

Q. Did they have policemen caps?—A. No, sir; every-day clothes.

Q. They had their friends, I suppose?—A. I could not tell.

Q. Did they have any supporters to call to their assistance except e few policemen?—A. Yes, sir; they had supporters.

Q. Who were they?—A. I happened to be one myself. I was asked y the chief burgess, and I think forty or fifty responded to the call, o get this crowd back, and when we got down there the Coal and Iron police were withdrawing and the crowd was running up the railroad. We got them back as fast as we could.

Q. There were about fifty in your party?—A. That is of those who were asked by the chief burgess.

Q. Were any of them armed?—A. Not as I know.

Q. Did you go together in a squad, in a line, or anything?—A. We went two by two.

Q. Did you put yourselves between the crowd and the policemen?—A. Yes, sir.

Q. What did you do with the crowd?—A. We got them to disperse and go about their business.

Q. Did this crowd of five hundred seem to be very angry?—A. Well, some of them. Of course I could not speak for them.

Q. No; but from general appearances and what they said and did, were they very much excited?—A. Yes, sir.

Q. What constituted the crowd; were children and boys among them?—A. There was men and boys; in fact women and everything.

Q. How many women?—A. I could not tell exactly, only here and there.

Q. Were they taking any particular part except in the noise?—A. In the noise mostly.

Q. How much space was there between this squad of policemen and this body of people following them?—A. Sometimes they may have been as near each other as 75 or 100 yards.

Q. How much shooting did you see on Saturday?—A. There was a good many shots fired.

Q. Twenty or thirty?—A. I judge about fifteen or twenty, in and about.

Q. They were not all fired that day on one side, were they?—A. They were all fired on one side, as far as I could see.

Q. Did not you see flashes of light and smoke from the side of the crowd that day?—A. You see the Coal and Iron police were going up the hill and I could see them very well, but I could not see the crowd as good as I could see them.

Q. Have you knowledge or information that any one was hit that day?—A. No, sir.

Q. How far was this occurrence from the ground where you saw the police firing on Saturday?—A. It might be 700 or 800 yards, perhaps farther yet.

Q. Could you see there people whom you saw in the crowd the day before?—A. I judge there was some parties who were in the day before.

Q. Were any of those people whom you call "scabs" connected in any way with this trouble?—A. That is what caused the crowd to go up there, this colliery being "scabbing," as we term it.

Q. How far was it from Kehley Run to where they did the shooting?—A. From 150 to 200 yards.

Q. These men had been at work there whom the police were protecting? A. Yes, sir; the way I understand.

Q. How many?—A. I could not tell, because the colliery had quit when I got there.

Q. Did you see quite a number of men being protected by the police as though they had come from the colliery?—A. The people had gone away from the colliery then. I only saw the last of it.

Q. You only saw the concluding fight?—A. Yes, sir.

Q. You understand that the assault that day came from the dissatisfaction of the strikers with non union men who were at work in the Kehley Run Colliery.—A. This is how I look at it; that is what caused it. Of course the Coal and Iron police being around, and as a general thing a majority of these people do not like the men very much, they are al-

ys more or less troublesome, and the sheriff's officers, and as a gene-
thing they like to pick on him.
Q. Now of what nationalities were this crowd of five hundred peo-
?—A. I judge the most of them were Huns and Poles; the ma-
ity, I think.
Q. Do you know that very many of the Knights of Labor were parties
this strike who wished to work along at the old rate instead of striking
an increase?—A. There might have been one or two here or there.
Q. But not a large proportion of them?—A. No, sir.

By Mr. STONE:

Q What proportion of the miners, men working in the mines, belong
the Knights of Labor?—A. Every one in general; they are employed
different hings.
Q. What proportion of the men belong to the Knights of Labor?—A.
judge about seven-tenths or eight-tenths, seventy or eighty out of a
ndred, as far as I know.
Q. Did pretty much all that class of men go out on the strike?—A.
me of them staid on working that belonged to the Knights of Labor.
Q. I mean among the miners, the persons working inside?—A. That
come out on strike; all the miners, as far as I know, quit work.
Q. Where did these men come from who were attempting to mine
ile the strike was in progress?—A. Right from our midst here.
Q. Were they miners?—A. Some were.
Q. Were they Knights of Labor?—A. Some were.
Q. Had any men been brought in here from elsewhere?—A. Right
re; not as I know.
Q. That were brought into here from any other point?—A. Not that
now of.
Q. How many men were at work at this mine where the boy came
om when he was chased?—A. That I could not tell, but it was re-
rted there were forty or fifty; some had it ninety. I could not tell;
was not employed there myself.
Q. Do you know anything about where these men came from?—A.
orking at this colliery; they were right from down here, right from
is vicinity.
Q. Who started this mob; who began the violence?—A. The crowd
at was there, it seemed to me; well, perhaps eight out of ten were
ans and Poles.
Q. Were they miners who were out on a strike?—A. They were min-
s.
Q. Were they men out on strike?—A. Those in the crowd; yes, sir.
Q. You said you made $3 a day on what you called contract work?—
Yes, sir.
Q. And had made that for several months, up to the commencement
this trouble?—A. Yes, sir.
Q What do you call contract work?—A. When you work by the car,
rd, or something like that; by piecework.
Q. Is the larger part of the work done in the mines of that charac-
?—A. A majority of the mining work is done by this contract work.
Q. I mean mining work?—A. Yes, sir.
Q. Is that the most profitable way for a miner to work?—A. It is for
me of them.
Q. Well, I mean for a man who works and knows how to work?—A.
is for a man who has the most experience: it is the most profitable
them to work that way, I think.

Q. I understand you to say that a great proportion of your miners work by contract or piecework?—A. Yes, sir.

Q. Do I understand you to say that your miners generally have been making $3 a day?—A. No, sir.

Q. Then, you were making more than others at contract work?—A. I think, as far as I can learn. I am not mining, you understand.

Q. What were you doing?—A. I was caging coal; putting wagons on the cage.

Q. Was that contract work?—A. Yes, sir.

Q. What were you to do for what you call piecework; how did you get your pay?—A. There were two of us put coal on the cage. We received $1.80 for every hundred wagons we put on the cage.

Mr. CHIPMAN. You put it on the cage to be lifted to the surface?

A. Yes, sir.

Mr. ANDERSON. For every hundred wagons you received $1.80 a piece or to be divided?

A. To be divided between two of us.

Q. You put on wagons enough to make $3 each?—A. Yes, sir.

By Mr. STONE:

Q. Now, what were the men receiving who sent you this coal to be put on the cage?—A. Some of them might make $1.75, $2, $2.50, $2.75.

Q. Why would one make $1.50 and another $2.75?—A. It would depend upon what luck he had; if he got lots of wagons he certainly could make good wages, if he had good blowing coal. Some parties have poor veins, others have better.

Q. Do your miners receive wages in proportion to the amount of coal each one actually mines?—A. Some veins——

Q. I will ask it this way: Where it is contract work, does each miner receive pay in proportion to the amount of coal he mines?—A. Yes, sir.

Q. If one mines twice as much coal as another does, he makes twice as much money?—A. Yes, if working by contract work.

Q. How much does he ordinarily get—is there a fixed price for contract work?—A. Generally it is a fixed price.

Q. What is that price?—A. I do not know what it is at other collieries; we get 78 cents, 88 cents, and I think as high as $1.06 a car.

Q. So much per car?—A. Yes, sir.

Q. How much do these cars hold?—A. They hold about 3½ tons.

Q. Then you get how much for every 3½ tons of coal?—A. Some 78 cents, some 88 cents, for this amount of coal, and as high as $1.06.

Q. For a ton?—A. No, for the car.

Q. They get 78 and 88 cents and $1.06. What is the occasion of this difference in price, if there is a fixed price?—A. Seventy-eight cents is what they receive for loose coal, where the coal is loose and they do not need to do much blasting. Eighty-eight cents for blowing coal out of the solid, and $1.06 is the price where they work with safety-lamps; they get more.

Q. On account of the increased danger?—A. Yes, sir.

Q. Does it make any difference in the price which the miners receive so far as the quality of the coal mined is concerned?—A. No, sir: one piece of coal is just as good as another. I mean to say that the coal, that one coal, wants just as much price in the colliery as another coal. The only difference is one coal is easier got out, and then the other is more dangerous and that requires a great deal more labor.

Q. Who determines whether the miner shall receive 78 cents, 88 cents, and $1.06 for a car?—A. I think that is the bosses' place to determine that.

Q. How many of these cars ordinarily can a miner, or two miners, for they usually work together, fill and send out in the course of a day?—A. There are some of them fill six or seven and so on, but I judge a fair day's work, five or six would be a plenty.

Q. For two men?—A. I think they would be doing a fair day's work if they load that much.

Q. That would be about 7½ tons a day that a man would mine in a day as a fair average day's work?—A. Yes, sir.

Q. Upon that basis a man would make a little over $2 a day?—A. Yes, sir.

Q. Well, do you think that is a fair average for a miner?—A. I do not think it is enough. That is, I do not think it is a fair living.

Q. Do you think that is about what they have ordinarily averaged under the present arrangement?—A. That is about as much as they average. They don't average that hardly.

Q. Your statement is that the average gross earning of the miner is about $2 a day?—A. Yes, sir.

Q. Some gentleman in the crowd suggested that there were some expenses of the miner to be subtracted from that?—A. Yes, sir.

Q. Let me have that?—A. As a general thing it takes a keg of powder for 16 to 20 wagons.

Q. Say 18 wagons. Well, that is 63 tons of coal to a keg of powder. What does a keg of powder cost?—A. About $2.25.

Q. What else?—A. Then there is oil, cotton, and smithing, and so on: different expenses which I can not explain as well as a miner for the simple reason I am not engaged in mining.

The Chairman. You are not a miner?

A. No, sir.

Q. Therefore you are not an expert in mining?—A. No, sir.

By Mr. Chipman:

Q. You are not a miner and you are not engaged in laboring work?—A. Yes, sir.

Q. Now, will you tell me what wages the laboring men are getting on an average?—A. The laboring men inside receive $1.20 a day.

Q. He is working under ground?—A. Yes, sir.

Q. Now, what proportion of the men in your mine are at work there?—A. I could not tell that exactly, but I should judge about one out of every twenty.

Q. And outside?—A. Outside they receive $8.10, and I think $7.50 a week.

Q. Now, about what proportion of the men who are striking were laboring people?—A. That I could not tell.

Q. A great many, were they not?—A. Oh, yes; but I could not tell which was a miner to look at them in the day-time.

Q. Did not pretty much all of this district strike?—A. No, sir.

Q. Can you tell what proportion are laboring men and what proportion miners? Anybody can tell you [referring to spectators].—A. I suppose the bosses would be more able to tell than me.

By the Chairman:

Q. Which of these riots did you see the most of, the one occurring on Friday or the one on Saturday?—A. I seen more of the one on Friday than Saturday; the one on Saturday I did not see much of.

Q. There was not much blood shed in the other?—A. No, sir.

Q. It was more of a snow-balling and a frolic, and the miners were a little angry?—A. That is about the most of it.

Q. Did you on either occasion of these riots or before them or since ever see any men with clubs chase boys, laboring in the mines so as to support their mothers?—A. No, sir; not before that evening.

Q. Did you see it before then or since then or on that occasion?—A. I seen it there in the time of the six months' strike, 1875.

Q. We are after 1888?—A. I haven't seen it since then.

Q. You mentioned that the miners went on the strike because they could not get cars to put coal in, did you not?—A. No, sir; I said they were filled; in fact, we could not work any longer because we had not cars so we could work.

Q. In consequence of the strike on the railroad preventing cars from being returned?—A. Yes, sir.

Q. Could the railroad authorities have had those cars brought back to the mines if they had wanted to help them out, or do you think the railroad authorities were perfectly willing for the miners to go on a strike?—A. That I could not tell; I am not able to tell that.

Q. How many private mine operators, individual operators, are at work near here?—A. But two of them.

Q. I mean private individuals who own coal mines; getting out coal and selling it?—A. There are only two mines, but we have some "penitentiaries," whatever you may call them.

Q. What do you call them?—A. "Penitentiaries," that is what they are generally termed.

Q. Why do you call them that; why do you give them that nickname?—A. That is the only name I have heard. That is why I give it to you.

Q. You give a woman's reason; it is so because it is so. How do you think it got that name?—A. I could not tell you.

Q. How old did you say you are?—A. Twenty-six.

Q. How long have you been at work about the coal mines in this vicinity?—A. About eleven years.

Q. When you first came here, eleven years ago, were not a good many more private operators getting out coal than there are now?—A. Yes, sir; there were two or three more than what is at present.

Q. What became of their mines?—A. The Reading Company bought them up or leased them.

Q. The Reading Company has absorbed them?—A. They have had them since.

Q. Within the last eleven years?—A. Yes, sir.

By Mr. PARKER:

Q. How many men on an average work in these penitentiary mines?—A. That I could not tell; there might be some mines have ten or twelve, some twenty or thirty. I have never been around them much.

Q. How much will they produce on an average each?—A. I could not tell; I do not know.

Q. There are men here who know about that?—A. I suppose some men here can give it to you.

TESTIMONY OF DANIEL CHRISTIAN.

DANIEL CHRISTIAN, sworn and examined.

By Mr. PARKER:

Q Are you a resident of this borough?—A. No, sir; I live in Pottsville.

Q. Did you at any time become chief of police in charge of this place?—

A. Yes, sir; I am chief of the Coal and Iron police, which extends through this county and into Northumberland County.

Q. Consisting of about how many men?—A. At the time this trouble began we had eighteen men distributed over a territory of about 100 miles.

Q. What is the largest number that you have had since the trouble began?—A. About one hundred and twenty.

Q. How many have you had at this point, Shenandoah?—A. About seventy five.

Q. What do you know of the occurrences that have been mentioned of Friday, February 3?—A. On Friday I started from Pottsville on the 4 o'clock train, and came up here to see what was going on here.

Q. What did you find when you arrived here?—A. I found there had been a riot of some kind, and the next information I got was that two of my men had been arrested and taken before the justice for shooting.

Q. Who was the justice?—A. Squire Monaghan.

Q. Did you go to the squire's office.—A. Yes, sir.

Q. Who did you find there of your men?—A. William H. Moyer and Jacob Dibert.

Q. In whose charge?—A. Well, in charge of some borough police here; special officers of the borough.

Q. Did any disturbance occur on that Friday afternoon or evening?—A. Yes, sir.

Q. You can begin at the beginning and give us the points of description.—A. I had a consultation with the men who were under arrest and we agreed they had better be committed and taken to Pottsville in charge of the officer who had arrested them, and they intended to give bail after they got there.

Q. What was the specific charge?—A. In fact, I do not know.

Q. You never heard of it?—A. I never heard the charge. The squire went to work and made out the commitment, and about the time that was ready a racket commenced outside and the glass front came in.

Q. Give us the details of that disturbance?—A. The first time, I saw a hole in one pane of glass about as big as a walnut, about an inch and a half in diameter, the next was a little larger, and finally the whole glass front came in and then chunks of ice and one thing and another were thrown through the windows.

Q. Were many people in the room at this time?—A. I think not; I think there were the two prisoners, myself, the squire, and probably a couple of newspaper reporters, and some others I do not know. I do not think there was over a dozen people.

Q. Describe what occurred there.—A. Of course, when the front was knocked in and these missiles came through, everybody looked for a way of escape, and they did escape, until finally there was nobody left but the squire and I.

Q. What became of the prisoners?—A. They went out of the back window.

Q. And the officers that had them in charge, what became of them?—A. I can not answer that question; I do not know.

Q. Tell us what more occurred.—A. After they had all cleared out but the squire and I, I came to the conclusion I would get out too.

Q. Where did you get out?—A. I went out the same way.

Q. Tell us what occurred then and what you did.—A. When the squire came out I just walked around; I believe there are two houses between the squire's office and the street; I came around the corner there right on this street here where the mob was.

Q. How many people was there whom you speak of a mob, about how many?—A. There might have been a couple of hundred.

Q. Consisting of whom?—A. Well, principally Poles, and a good many other people mixed among them.

Q. Were there women in this crowd?—A. I did not see women in that crowd.

Q. Any Hungarians?—A. I do not know.

Q. But the majority of the crowd—— A. (Interrupting.) It may have been mixed with Poles and Hungarians.

Q. Did you think the majority of the people were Poles?—A. I thought so.

Q. Please go on and describe what occurred further.—A. When I got in the street and looked at the mob, everything seemed to be quiet. There was no more rattling of glass and throwing of stones. Then I started for the telegraph office. I went to the telegraph office and telegraphed to Mr. Whiting what little information I had about it.

Q. Was there any more rioting or disturbance that night?—A. Not that night; all quiet.

Q. Were you present at the disturbance the next day?—A. Yes, sir.

Q. You may describe to us, in a few words, the events as they occurred.—A. That closes it for that day. I do not know anything else.

Q. Come to the next day and describe that disturbance.—A. Well, the next day I was over at Indian Ridge colliery, with about twenty-two men. We had heard reports that a mob was going to attack the William Penn, on the way home; that is, Mr. Lewis's, 2 miles below here. I sent for the chief burgess, and he came over there. I had a talk with him.

The CHAIRMAN. By chief burgess you mean what is called a mayor in other cities?

A. Yes, sir; he is mayor of this city. He came there and I had a talk, and I told him what I heard. I asked him if he had a posse he could use it to keep order and would protect these people and protect them when they came in the town. He said he would. So I told him I would not move my men away from the colliery if he would do this. So it was understood there and stated there that he was to look after these men, but instead of coming down there, the mob began to gather at Kehley Run, this side of town. Of course I staid over at the colliery, and did not find out anything about it until fifteen minutes before quitting time. Some one came into the office and said a mob was gathering at Kehley Run. I went out and saw there was quite a crowd there, I could see there was a large crowd gathered there. I got the men together and went there with the view of escorting what men were working there home safe. I went to Kehley Run. I got to a place below the colliery, and the men instead of coming down, the most of them took to their heels when they saw the crowd.

Q. What men?—A. Why the workmen who were working at Kehley Run. They took a different course and went home on their own hook. Some came down through the breaker where we were. Of course, all this was excitement, and the mob began to jeer and holler "scab" and "son-of-a-bitch" and all that kind of language, and we got a few men together who seemed to want protection and we started to take them towards their homes, towards town here. We walked along about a square or so when some of them got excited and ran ahead of us, and as they did some Poles made after them, some had clubs and some had sticks 4 or 5 feet long, some shorter. They hurled the sticks at them and chunks of ice, and we tried to cover them as well as we could, but we got into the mob probably three or four hundred feet, and by time we got there, two of those men whom we were expected to ect got out of sight. I did not see anything more of them. We e almost surrounded by the crowd, using all kinds of threats. Then und the two men were out of sight, and I concluded to withdraw men out of that crowd and get back towards the colliery, and I or-d them to go back slowly. When we commenced to go back I made my mind there was going to be trouble. I told the men to keep e together and to keep cool and not to fire at anybody without I them; and we went through the crowd, and we got out and got k towards Kehley Run, and got out of the worst of the crowd. When found we were going back, some of them got hold of brickbats, es of snow, slate, and one thing and another. Where they got them n, especially the slate, I do not know; but they had them all the e. They followed us up for a quarter of a mile. When we got down t Kehley Run colliery, on the ball ground, I told the men to form a , with the intention of giving these fellows a check. I got the men ine and we faced the mob, and they hollered and continued throwing es and other missiles. We staid for a moment and then I said, "Fall k again." We fell back to where there was a bridge across a little am, and we had to close up and get together to go over the bridge, and r we crossed the bridge they commenced to use their pistols on us.

Mr. Parker: Describe how that began and who began it, as far as know.

A. I can not mention any names, I do not know these people, but re were at least six or seven I saw in front of the mob who had pistols used them.

Q. Which side shot first?—A. They did; the mob.

Q. How many shots?—A. Six or seven.

Q. Before there was any shooting from the police?—A. Before there s a shot fired by any of my men at all.

Q. Describe the way this firing commenced back and forth.—A. y used their pistols first and fired five or six shots. As we were ing up that little drain, some of my men began to get a little anx-s and they said "Cap., we can not stand this." I said, "Keep cool, e of the men are getting hurt," except one man who got struck in mouth with a piece of brick. "Let us get out of this without kill-or hurting anybody if we can." I kept them quiet, and we moved the hill a little further, and they still kept advancing and firing a more shots. Then I made up my mind that we would check them they would be on our heels out to headquarters, Indian Ridge. I ned and said, "Now, boys, give them a volley," but says I, "Shoot h." Then they turned and fired a volley, and the result was there s nobody hurt that I know of, and they left us, and we went back to ian Ridge colliery.

Q. They left and turned away at that time?—A. Yes, sir.

Q. What were your men firing with?—A. We had several kinds of stols.

Q. Revolvers?—A. Yes, sir.

Q. Did you have large revolvers?—A. No, sir; we had small revolvers. ost of them were what we call the American bull-dog, worth $3 or $4.

Q. Carrying how heavy a bullet?—A. Thirty-eight caliber.

Q. Did you have any longer arms at that time; Winchesters?—A. o; we had no guns at all.

Q. Were there any heavier arms than 38 caliber?—A. There were ree or four of 44 caliber.

Q. You had no guns?—A. No, sir.

Q. Did any of your men get hit?—A. Yes, sir; one man named Whitman was shot in the leg.

Q. A flesh wound?—A. Well, it is a pretty bad wound.

Q. Of course I did not know.—A. We had the doctor here probing for three hours and he didn't find the bullet, and we sent him home.

Q. He has remained at home?—A. Yes, sir.

Q. Was he the only man struck?—A. Yes, sir; the only man struck.

Q. Did any more disturbance occur that day?—A. No, sir; that wound it up.

Q. Since that time has there been any riot or collision between your men and the other side?—A. No, sir.

Q. Have you had a larger body of police since that date than you had before?—A. Yes, sir.

Q. How much was it increased?—A. Well, about fifty men.

Q. Did the sheriff about that time issue a proclamation?—A. He issued his proclamation on the following Monday.

Q. Have you a copy of it?—A. No, sir.

Q. Can you tell the substance of it?—A. No, sir; I can not.

Q. Afterwards were your men more fully armed?—A. Yes, sir.

Q. To what extent?—A. They were armed with Winchester rifles that night.

Q. How many were armed with Winchesters?—A. I think they were all armed with Winchesters during the night.

Q. How long did they have Winchesters?—A. They have got them here yet.

Q. How many men could you have produced at any time armed with Winchesters; the largest number?—A. Well that is about the extent.

Q. Sixty men?—A. Sixty to seventy-five.

Q. How many men have you here now?—A. Why, about forty-eight or fifty.

Q. And if necessary you could produce them armed here at any time?—A. Yes, sir.

Q. Was there any other armed organization here?—A. The sheriff has a posse here.

Q. Are they regularly subject to his order?—A. They were sent here by the sheriff.

Q. Are they armed?—A. Yes, sir.

Q. Are they organized now?—A. Yes, sir.

Q. Where are they?—A. They are over at Indian Ridge.

Q. And under whose command?—A. Under the command of H. H. Stoughfer.

Q. And kept ready to be called upon if necessary?—A. Yes, sir.

Q. And that number is kept up, so that you have a force now of about 150 men in the two?—A. No.

Q. Tell us now about how many there are of the two classes.—[illegible] The sheriff's posse has been reduced of late. The railroaders have been called home, so I think there is about thirty-five of them left. T[illegible] amount has been reduced, by sending men away to different places a[illegible] by sending them home to go to work, to about forty men now.

Q. Can you tell us whether most of these men who were concern[illegible] in these riots went to work yesterday or to-day?—A. No, sir; I can n[illegible] give you information at all on this subject.

By Mr. ANDERSON:

Q. What is your position; are you general chief of the police?—[illegible] No, sir.

Q. You are chief of the police of the Coal and Iron Company?—A. Yes, sir.

Q. Has this town an organization as such; what in my country we would call a town or city—a common council, a mayor, etc.?—A. This town has a police force of its own.

Q. Distinct from yours?—A. Yes, sir; we are employed by the company to protect the company's property—the railroad and Coal and Iron property.

Q. Under what law is that done? Have you a copy of that law?—A. I have not here.

Q. Could you let us have a copy of it this evening?—A. I think I can.

Q. Do you remember what its provisions are in outline, simply, not accurately?—A. Well, it is an act of 1866. There was an act passed in 1865 empowering the railroad company to appoint policemen for their own use, and in 1866 that law was supplemented by an act providing for companies and individuals who own or operate mines, and, I believe, at iron rolling mills, furnaces, and coal mines to appoint policemen, to be appointed by the governor and commissioned by the governor.

Q. These policemen are appointed by the governor, or rather they are chosen by the company and commissioned by the governor?—A. They are chosen generally by the company, of course.

Q. Are they under the protection of the company?—A. Yes, sir.

Q. Now, how many men might the Coal and Iron Company employ? I am not speaking about this particular trouble here; I want some general information on this one point. How many men under that law might this company or any other company employ; is there any limit?—A. The law does not say anything about that. Of course, I think under the law it is discretionary with the governor how many men he will commission.

Q. His custom is to commission them as the company makes application?—A. Yes, sir.

Q. In what way under the law—I am not speaking of anything here—might these policemen be armed? Could they have clubs and revolvers, if necessary, so far as necessary?—A. The law does not say anything about it.

Q. It does not forbid it?—A. The act does not say anything about it.

Q. The point I was getting at was this. It is a new thing to me. I can understand why the State or city may have these police, but I do not exactly see in regard to a railroad company or a coal mining company what business they have got with police as distinct from the police officer of the city. First, we would like to have that law. The point I want to ascertain is, whether under that law your company might employ ten or a hundred men; whether or not you have that liberty, and that these men if necessary might be armed with revolvers; and if necessary they could be armed with muskets or anything else, and if it were necessary, whether there could have been a second company of a hundred men put here under the law?—A. Well, I suppose under the law there could have been a hundred more men just as well as the one hundred.

Q. In other words, they could have put a thousand here if they wanted to?—A. I do not know about that; I do not think it would ever have got to that.

Q. But as far as the law is concerned they could?—A. I suppose so.

Mr. ANDERSON. If the railroad company can pay a hundred men under that law, it can maintain and use a standing army. This is the information I want to get, Mr. Chairman.

By Mr. STONE:

Q. Who furnished the arms for them?—A. The company.

Q. They shipped up those rifles and they were under the control of the company's employés?—A. Yes, sir; they were under my control after they got here.

Q. You were in the employ of the company?—A. Yes, sir.

Q. Did the governor of the State appoint all these policemen?—A. No, sir; these men were employed by me.

Q. You commissioned them, then?—A. No, sir; I did not commission them.

Q. Did you swear them in?—A. No, sir.

Q. Were they sworn in as officers of the State, or of a city, or of anything else?—A. Some of them were; yes.

Q. They were sworn in, to do what?—A. To support the Constitution of the State and the United States.

Q. And to protect the property of the railroad company?—A. No; no, sir.

Q. Who swore them in?—A. The recorder of the county.

Q. What proportion of the men were sworn in?—A. About half the men that we have here.

Q. And the other half were not sworn?—A. No, sir.

Q. Simply selected and detailed by you and armed by you to do this work?—A. Yes, sir.

Q. And you say that these men did not fire upon this crowd of citizens until they were first fired at?—A. That is what I say, sir.

Q. During this retreat that you made, how far did you go while these people were shooting at you before you returned the fire—when you were telling the men to "keep cool"?—A. About 400 yards; a quarter of a mile.

Q. Were they throwing missiles? You had a man injured, did you, at that time?—A. Yes, sir.

Q. Brickbats?—A. And pieces of stone and brick larger than that (illustrating).

Q. Were they in striking distance?—A. Yes, sir; one man got hit there in the mouth with a piece of brick.

Q. Did they fire at you at the same time?—A. At the same time he was struck with the brick?

Q. During this retreat of 400 yards?—A. No; they threw all the bricks and stones what they had before they did any shooting; they went a long distance before they did the shooting.

Q. After they commenced the shooting, how far did you retreat and in what order?—A. We walked slowly, and kept as good line as we could on the slippery ground.

Q. How far did you retreat after they began firing at you?—A. Probably 5 or 6 yards.

Q. Before you returned the fire?—A. Yes, sir.

Q. Your men wanted to return the fire and you told them to "Keep cool; they are not hurting us?"—A. Some of them.

Q. Was that what you said to them, "Keep cool, boys; they are not hurting us?"—A. That is what I said.

Q. Under what sort of possible provocation would you think there was danger of being hurt?—A. If a lot of men would shoot at you, wouldn't you think there was some danger?

Q. Yes; I would think so at once, but you said, "They are not hurting us; keep cool."—A. Well, they were shooting all the same, and shooting the best they could.

Q. And then you turned and told them to fire in the air and not to hurt anybody?—A. Yes, sir; and that was after our man was shot.

Q. And after the man had been struck in the mouth with a stone and another had been shot in the leg?—A. Yes, sir.

Q. And during all that time you retreated slowly and in good order, and saying to the men "Keep cool, boys; they are not hurting us?"—A. I didn't keep saying that all the time.

By the CHAIRMAN:

Q What wages are the sheriff's policemen, as you call them, paid?—A. Sixty dollars a month.

Q. About how many are now employed in the Schuylkill coal region?—A. About 100, I guess, now.

Q. By the county and the State jointly, or by the county alone?—A. By the county. The sheriff has about 35 men here and we have about nearly 100 men distributed through this and Northumberland County.

Q. When you say that do you mean the town authorities?—A. No, sir: I mean the company.

Q. You mean the Reading Railroad Company when you say that?—A. Yes, sir.

Q. Who are paying these 100 men their wages of $60 a month, the Reading Railroad Company?—A. The Coal and Iron Company.

Q. They will pay a part?—A. I suppose so.

Q. Did the private police of this corporation act in harmony and conjunction with the State and municipal police?—A. We would, if we found anybody to go with, but we did not find anybody to go with.

Q. Were you under orders in any way of the public authorities?—A. No, sir.

Q. Is it not a fact that there was some collision between the public police and the corporation police?—A. I do not know of any; not to my knowledge.

Q. Was there any feeling between them?—A. I do not know that there was.

Q Well, I will put this question: Did not the public police, here in Shenandoah, arrest some of your corporation police?—A. Yes, sir; that was on Friday night after I reached here.

Q. What did they arrest them for?—A. I do not know what charge is against them now. I have never been to the squire's to see what was on the docket.

Q. Did you come to the relief of your corporation police to secure them bail and to get them out of the clutches of the law?—A. I did. I went to see what was the matter, and to see what the difficulty was.

Q. I understood you to say, when Judge Parker was examining you in chief, that you were going to take them to Pottsville to secure bail?—A. No, you misunderstood me. I said after consultation with these two men that they agreed that they had better be committed, and the squire proceeded to make out the commitment, and I understood that both men were to be committed.

Q. Did they not arrest your men, and were they not committed on the charge of felonious shooting with intent to kill?—A. I do not know what the charge is.

Q. Were they arrested within the borough limits?—A. I think the charge on the squire's docket—if I am rightly informed, I think it is assault and battery.

By Mr. CHIPMAN:

Q. On whom?—A. I do not know.

Q. Where is the squire?—A. He lives right down on this street about two squares.

Q. What did the crowd have against the squire, that they wrecked his office?—A. That I do not know. They were out on the rampage and it did not make much difference to them who they busted up.

By Mr. STONE:

Q Who commissioned you?—A. The governor.

Q. Have you your commission with you?—A. No, sir.

Q. Could you let us see it?—A. I could to-morrow.

Q. Where is it now?—A. Pottsville.

Q. Have you any officers here having similar commissions?—A. Yes, sir. I might get you a commission this evening.

Q. I wish you would.

Mr. CHIPMAN. Have you any authority to go outside of the mines at all, in any town outside the premises of the coal company?

A. Yes, sir.

Q. Does the law give it to you?—A. Yes, sir. The law gives me the authority in this county as the policemen in the city of Philadelphia have in that city.

Q. You can arrest for any offense in the county?—A. Yes, sir.

Mr. STONE. Have you power to summon a posse?

A. I suppose I have the power to call for any assistance I may require, the same as any officer of the law.

Mr. CHIPMAN. I hope you will let us see the act of legislature and let us also see the commission, both. I would prefer seeing the act to the commission.

TESTIMONY OF JAMES SHIELDS.

JAMES SHIELDS, sworn and examined.

By Mr. CHIPMAN:

Q. What is your name?—A. James Shields.

Q. What is your business?—A. A laborer.

Q. Where do you labor?—A. Davis's colliery, under the Reading Company.

Q. I see you have some decorations on your breast; what are they?—A. Fire company badge and police officer.

Q. You are a fireman, a police officer, and a laborer?—A. Yes, sir.

Q. What are you police of?—A. The borough of Shenandoah.

Q. Who appointed you?—A. The mayor of the borough.

Q. He is called the chief burgess?—A. Yes, sir.

Q. What does your borough comprise, what territory? Is there anything besides the city of Shenandoah?—A. No, sir; it comprises the borough.

Q. How much land is there in it, and where is it situated, and how far does it go?—A. I do not know how far it goes.

Q. Does its limits include the land across the river?—A. Yes, sir.

Q. And across over there [indicating]?—A. Not over that way we don't, but on this side we do.

Q. Does it include any mines?—A. Yes, sir.

Q. What mines?—A. It includes Glover's, Shenandoah City, Grant's, Kehley Run, Indian Ridge, and a good many collieries around here.

Q. Where do you labor?—A. At Davis's colliery.

Q. How long have you labored there ?—A. About six months.

Q. How long have you been laboring during the six months ?—A. ntil the strike occurred.

Q. In what capacity did you labor ?—A. Outside around the breaker.

Q. Do you belong to any labor organization ?—A. Yes, sir.

Q. What ?—A. Stevens Assembly, 4637, Knights of Labor.

Q. Are you an officer in the Knights of Labor ?—A. No, sir.

Q. Do you remember the strike that occurred here ?—A. Yes, sir.

Q. Did you strike too ?—A. I had to strike.

Q. Why ?—A. There was no work for us.

Q. What do you mean by that ?—A. The collieries all around here opped, and when they stopped I had to stop.

Q. What did the collieries stop for ?—A. I do not know what they opped for.

Q. Did they not stop because the men would not work ?—A. An in-ease of wages.

Q. The men demanded an increase, or demanded the companies ould pay the old 8 per cent. rate ?—A. The 8 per cent. rate.

Q. They did not demand an increase ?—A. They only demanded what ey got in September.

Q. They wanted that continued after the 1st of January ?—A. Yes, r.

Q. They did not get it ?—A. That was the understanding, that they anted to get that.

Q. They did not work ?—A. No, sir.

Q. And that was a strike ?—A. Yes, sir.

Q. And you struck with them ?—A. I had to strike.

Q. You said you had to strike too ?—A. There was no work here.

Q. So all the men struck ?—A. When they didn't get what they anted.

Q. Were you here at the time of the riot two or three weeks ago ?— . Yes, sir.

Q. What do you know about that ?—A. On the 3d of the month I nt down and I seed quite a crowd in the street, and I walked down street to see about it.

Q. What day was that, Friday ?—A. Yes, sir. When I got over to-rds the crowd I seen some fence palings going pretty lively, some n using them there.

Q. There were some men and some fence palings together ?—A. Yes,

Q. What were the men doing with the palings ?—A. They were using m with one another. When I got down there I saw the people—me men beating——

Q. Beating whom ?—A. Several men got to using of these palings; o not know the men.

Q. Do you know who were doing it ?—A. I did not get time.

Q. You know the names of the people around here ?—A. Yes, sir.

Q. How long have you lived here ?—A. Eight years.

Q. You were a police officer ?—A. Yes, sir.

Q. What did you do ?—A. Just as I got there the Coal and Iron po-ce started to fire among the crowd.

Q. Were the Coal and Iron police some of the men getting beaten ?— . Some of them was miners.

Q. Do you not know ?—A. I do not know exactly; I think they were mong the crowd, and when I got there the Coal and Iron police got in crowd together and started to fire in.

Q. Was this crowd up the railroad or down the railroad ?—A. They came up the railroad.

Q. Was any crowd above ?—A. Not that I seen at the time.

Q. You think some police were being attacked with palings ?—A. Yes, sir.

Q. Do you know what they were being attacked for ?—A. I did not know at the time.

Q. Have you heard since ?—A. Yes, sir.

Q. What did you hear they were being attacked for ?—A. For taking some men home, and fussing with the men there.

Q. Did you see any boy being pursued ?—A. No, sir.

Q. They were attacked for taking some men home who were not on the strike, but working ?—A. Yes, sir.

Q. Do you know how many of these men that were being taken home ?—A. I could not say how many.

Q. When you saw them, the first thing you saw were the palings going. About that; what have you to say ?—A. The police got into a mob together, and started to fire on the crowd.

Q. How many police ?—A. I think six Coal and Iron police.

Q. Was Captain Christian there ?--A. Not that I see.

Q. You say they got into a crowd and were firing; how many fired ?—A. I think most of them fired.

Q. What were they firing with ?—A. With revolvers.

Q. How large a crowd was there ?—A. There might have been three hundred people.

Q. Who were they firing at ?—A. All parties there; I could not give any difference.

Q. They were firing at the crowd ?—A. At the crowd.

Q. What was the crowd doing ?—A. In this excitement they all gathered to see what was going on.

Q. When the firing was going on, did they all stand still or spread out ?—A. They rushed back.

Q. How many shots were fired ?—A. I think about six shots were fired.

Q. That would be about one apiece ?—A. Yes, sir.

Q. Was anybody hurt ?—A. There was five men, I believe, hurt.

Q. Hurt how ? Were they policemen or part of the crowd ?—A. There were no policemen hurt.

Q. How were the five men hurt ?—A. Shot.

Q. With bullets ?—A. Yes, sir.

Q. Did you see the men ?—A. Yes, sir.

Q. Did you see the five ?—A. I heard of the five.

Q. How many did you see ?—A. I saw one.

Q. Who shot him ?—A. A policeman.

Q. Do you know the man ?—A. No, sir.

Q. What was he doing when you saw him ?—A. The doctor was fixing his ear up.

Q. You saw that ?—A. Yes, sir. I didn't go with the intention of seeing him. I heard Mr. Heffron was dangerously hurt, and I went up to see if he was in the doctor's.

Q. Was he there ?—A. He had been taken home.

Q. What else did you see that night ?—A. I went down to let the squire know that Mr. Heffron was not hurt bad.

Q. What squire ?—A. Squire Monaghan.

Q. Did you find him ?—A. The squire was in the office.

Q. What did you go to him for; to make complaint ?—A. I left the squire to go to see about the Heffron man, who was hurt bad.

Q. What then ?—I came back and told him he was not dangerously hurt.

Q. What next ?—A. The commitment was filled up for the Coal and Iron police to go to Pottsville.

Q. Where were the Coal and Iron police ?—A. They were in the squire's office; I fetched them to the squire's office.

Q. You arrested them ?—A. Yes, sir.

Q. Did you arrest them single-handed ?—A. I, and an assistant.

Q. Who was the assistant ?—A. Mr. Wheligan.

Q. You and Mr. Wheligan; he assisted you ?—A. Yes, sir.

Q. How many men did you take of the Coal and Iron police ?—A. I took this one man.

Q You only had one ?—A. Yes, sir.

Q Why did you arrest him ?—A. For firing, with the intention of killing, into this crowd that was there.

Q. You said you intended to make a complaint about this base-ball man ?—A. No, sir.

Q. You went to see how he was ?—A. I went to see if he was dangerously hurt.

Q. You do not know whether this policeman shot anybody, but you arrested him and took him up there ?—A. Only one I took up.

Q. Who went up to the squire's office with you when you arrested him ?—A. Mr. Wheligan and five or six Coal and Iron police.

Q. Were there any other gentlemen who accompanied you up there ?—A. There was quite a crowd followed us up.

Q. Were you still representing the borough police on that occasion ?—A. Yes, sir.

Q. Did Captain Christian go up there ?—A. Yes, sir; he was in the squire's office then.

Q. What took place in the squire's office ?—A. We went in there and saw about Heffron, to see what charge was preferred against him. I went up to see about Heffron and came back and told he was hurt, and came back to get a commitment for him. During the time they sent a vehicle to drive down the two Coal and Iron police to Pottsville.

Q. Is Pottsville the county town ?—A. Yes, sir.

Q. You got a commitment ?—A. Yes, sir.

Q. Where is it ?—A. Yes; for Moyer.

Q That was not that night ?—A. Yes; that was the same night.

Q. Was not Mr. Christian following up to see about it ?—A. This was Moyer. He came up along with a man I arrested. A Polander preferred charges against him.

Q. This is the way: You had a commitment for two Coal and Iron police; you arrested one, and one came up of his own accord ?—A. Three or four came along; four, I suppose.

Q. What took place while you were in the office ?—A. In my time there ?

Q. How long were you there ?—A. About an hour.

Q. Did you not appear until the commitments were made out ?—A. [illegible] during the time I made this one in the docket I went down to the house to get a copy of the commitment.

Q. You would be the officer who would take a copy of the commitment. While you were taking a copy of it you do not know what took place at the office. Did you return to the office ?—A. Yes, sir.

Q. What was the condition of the office ?—A. The office was all broke in.

Q. Can you give me any reason in the world why the squire's office was attacked that night?—A. I can not give a reason.

Q. What had he done to anybody that they should break up his office?—A. I do not know what reason there was.

Q. He had committed the men to go to jail?—A. Yes, sir; and to give bail at Pottsville.

Q. When you left there the office was in good order?—A. Yes, sir.

Q. Is Monaghan elected here by the people?—A. Not that I know of.

Q. He is elected to-day by the people, I think?—A. Well, to-day is the day of election.

Q. He is elected to-day?—A. Yes, sir; in the first ward.

Q. Justices of the peace are elected by the people?—A. Yes, sir.

Q. Did you ever know of any other squire's office being attacked?—A Yes, sir.

Q. Whose?—A. Squire Shoemaker.

Q. When was his office attacked?—A. The same night.

Q. What was he attacked for; did he commit any police to jail that night?—A. No, sir.

Q. How long was it after the scene at Squire Monaghan's office?—A. It was before.

Q. What occasioned that; do you know?—A. I do not know; I was not there.

Q. Did you see the office?—A. The next morning I saw it.

Q. In what condition was it?—A. Some of the windows were broke in.

Q. Do you know who it was who attacked the squire's office that night?—A. No, sir; I was not in at the time.

Q. Well, do you know who the crowd were that followed you up to the office?—A. No, sir.

Q. What did the crowd say who were following you up to the office?—A. Nothing at all except to follow us up.

Q. Mr. Christian says that the policeman who had the Coal and Iron police prisoners in charge jumped out of the window?—A. The policeman; no, sir.

Q. Was there any other policeman besides you?—A. I left one man there by the name of Gael.

Q. Was he there when you came back?—A. He was also standing on the street. I would say I came down and went to the office and when I got there I saw the windows were smashed.

Q. Where was the squire?—A. I guess the squire got out.

Q. How long were you gone?—A. Only five or ten minutes.

Q. Now, have you ever heard any reason for that attack upon that man's office that night, upon either of the squire's offices?—A. No, sir.

Q. Have you ever heard anybody talking about it since?—A. No, sir.

Q. You have no idea who it was who did it?—A. Not the least idea.

Q. Whether it was miners, strikers, merchants, lawyers, doctors, or clergymen?—A. On account of not being there I could not give any idea.

Q. Where was the crowd when you got back; you were only gone ten minutes you say, and you say a crowd followed the prisoner up there?—A. It was in front of the office.

Q. The same crowd you left?—A. There was some more, I think.

Q. You think the crowd was greater?—A. Yes, sir.

Q. What was that crowd generally?—A. I do not know.

Q. What kind of men were they; of what occupation in life?—A. I suppose miners and laborers.

Q. Where do they principally work?—A. The majority of them work around the mines.

Q. Was any violence offered to you?—A. No, sir.

Q. Has Squire Monaghan ever been a miner?—A. Not that I know of.

Q. You do not know that he ever was?—A. I do not know.

Q. How long have you lived here?—A. Eight years.

Q. How long has he lived here?—A. The same time.

Q. He was living here when you came here?—A. Yes, sir.

Q. And Squire Shoemaker?—A. Yes, sir.

Q. What is his business?—A. Squire.

Q. Both of them squire and nothing else?—A. That's all.

Q. How long had they been elected to these offices?—A. Squire Shoemaker was elected, I guess, six years.

Q. And Squire Monaghan?—A. He was the one I had reference to.

Q. Squire Shoemaker, how long?—A. I have no idea.

Q. Are both of them running to-day?—A. Yes, sir.

Q. You arrested, as I understand it, the policeman without a warrant, on the ground, as you say, that he had been guilty of an assault with intent to kill by firing into that crowd?—A. Yes, sir.

Q. How many borough police are there?—A. There is three paid police and about forty special police.

Q. Are they paid?—A. No, sir; special police.

Q. Do you get fees?—A. Fees in case you make an arrest.

Q. I suppose you would have fees for warrants served, and fees for a commitment served, and subpœnas, regular fees?—A. Yes, sir.

Q. Is there any feeling or collision or any contradiction or irritation between the local police and the mining police?—A. No, sir.

Q. Do they act in harmony?—A. Yes, sir.

Q. How did you come to arrest one of the mining police?—A. When they started to fire in the crowd, I believed it better to arrest one and quash the fuss.

Q. This man submitted to arrest?—A. Yes, sir.

Q. And the rest of them came up along with him?—A. Yes, sir.

Q. Will you tell us what arms they had that you saw?—A. Revolvers.

Q. Now, do you know anything about the difficulty of the next day?—A. Yes, sir; I seen quite a crowd of people at the head of Main street.

Q. What time did you see that?—A. On Saturday about 3 o'clock, shortly after 3 o'clock.

Q. Now, then, tell us what you saw and know about it.—A. I seen quite a crowd of people gathered around there towards the breaker.

Q. Towards which breaker?—A. Kehley Run breaker.

Q. Where is that?—A. North of Main street.

Q. How far from here?—A. About a quarter of a mile is the distance.

Q. Now tell what you saw and what took place as near as you can.— I heard there was some disturbance created there, and I went down there to try to quash what I could. I seen several men around there in parties together, creating great excitement.

Q. Why did you do that; you must have a reason?—A. For fear of trouble was about to break out.

Q. What trouble?—A. Like Friday.

Q. You thought it might occasion trouble if the crowd went over there?—A. I thought it was better to keep the crowd back.

Q. Now, then, what took place?—A. I did not see anything more; I only heard shots from the breaker; I did not see any fighting.

Q. You did not see the shots fired?—A. I was not near the breaker.

Q. You do not know who fired them?—A. No, sir.

Q. How far off was that from you?—A. I was about 800 yards, I suppose.

Q. You heard shots?—A. I heard shots.

Q. Could you see any smoke?—A. No, sir.

Q. You could not tell by the sound whether the shots were from both sides or not?—A. No, sir.

Q. Who were the parties in that, so far as you know or as you could see of it; could you see that?—A. No, sir; I could not see that.

Q. Did you see there a body of Coal and Iron police?—A. I did not see the Coal and Iron police that day.

Q. Did you see the captain of the police?—A. Not that I know.

Q. You do not know really who were engaged there or what men they were?—A. No, sir.

Q. Did you see any men being escorted from their work to their homes?—A. I seen some boys coming from work, but they were let go by.

Q. Now you say you were afraid there would be trouble with the men and boys at work in the mine at that time?—A. Yes, sir.

Q. Was that a private or railroad mine?—A. It is an individual mine.

Q. Do you know what wages were being given to the men?—A. I have no idea.

Q. Have you not heard that the 8 per cent. and the old $2.50 basis was still being paid?—A. Yes, sir.

Q. And the men were working at the price the miners claimed should be paid?—A. Yes, sir.

Q. Was the objection on the part of the strikers that the men continued work there?—A. There may have been something of that kind.

Q. Now, do you know something about that? You think they wanted nobody to work in the mines at any price?—A. No, sir; to my understanding they wanted them not to work.

Q. Do you know anything about the stoppage of the William Penn mine; what wages were paid? Do you know whether it was true or not that the 8 per cent. was paid on the old basis?—A. I heard it was.

Q. Do you know anything about men being stopped from working there?—A. No, sir.

Q. You said that on Saturday the police were escorting friends from this other mine?—A. I do not know whether any police were there or not.

Q. You did not see the police?—A. No, sir.

Q. How long have you been a policeman?—A. Since last March.

Q. Were you appointed by the head of the borough?—A. Yes, sir.

Q. For how long a time?—A. This term.

Q. This term runs out when?—A. Next month, I guess. He is up for re election to-day.

Q. Do the mining police make arrests in the town generally?—A. When necessary.

Q. Do they arrest for difficulties not connected with the mines?—A. Yes, sir.

Q. Do they arrest for ordinary breaches of the peace and ordinary crimes committed here?—A. Yes, sir.

Q. Outside of any disturbance with the mines or miners, and outside of their premises?—A. Yes.

Q. Do not you gentlemen of the borough police, especially you w[illegible]

t fees, these are your perquisites and you should have anything made
t of an ordinary arrest?—A. Yes, sir.

Q. And you and the mining police do not get along very well on that
ore?—A. The mining police and we have no trouble.

Q. You do not like them first rate, do you?—A. We have nothing
ainst them.

Q. Do not you men who are local police feel that when they make an
rest here in town of cases which you have power to arrest, do you not
el that they are interfering with you?—A. No, sir.

Q. You do not feel that way, you do not care whether you make fees
not?—A. If there is anything in it. we would like to make it.

Q. Do you mean to tell me that the Coal and Iron police are supported
these mines—or do you know who they are supported by?—A. I am
formed the Reading Company pays them.

Q. Do you mean to say in a case of theft here, or an ordinary fight on
e street here, or anything of that kind, that they have authority, and
ey exercise it, to make arrests?—A. They have no authority in the
rough at all.

Q. Do they exercise that power in the borough?—A. No, sir.

Q. They do not make arrests?—A. No, sir.

Q. You of the borough police make these arrests, breaches of the
ace, etc.?—A. Yes, sir.

Q. For instance if a man fired off a weapon inside the borough, which
suppose is against the ordinances of the borough, would they have
thority to make an arrest?—A. I do not think the Coal and Iron police
s any right.

Q. Did you ever read the law on this subject?—A. No, sir.

Q. You are paid entirely by fees. Then you have three, you say, who
e paid salaries; they are policemen proper?—A. Yes, sir.

Q. Then you have how many special police?—A. Something over
rty.

Q. What are they appointed for?—A. They were appointed for any-
ing that is necessary, say for any disturbance. They are supposed to
e sworn in for quashing it.

Q. They are not appointed specially as they do in large cities, to
rve some particular person or watch a house or keep a door, they are
ppointed generally to keep the general peace?—A. Yes, sir.

By Mr. STONE:

Q. When these men were arrested under this commitment, or out of
hich this commitment grew, and of the other arrest which you made
f these company police, what became of the prosecution?—A. These
oal and Iron police?

Q. What was done with them?—A. Nothing was done with them;
hey were committed to Pottsville. When I came back to the squire's
fice, of course I saw it was all smashed up—when I came back the
oal and Iron police were gone. I heard since they gave themselves up
t Pottsville, and gave bail down there.

Q. You are simply informed that they went to Pottsville and surren-
ered themselves to the authorities there?—A. Yes, sir.

Q. Do you know whether they have been indicted?—A. I do not
now.

Q. Has there been any preliminary examination?—A. These in Potts-
ille?

Q. Anywhere?—A. Not that I know of.

Q. That was a waiver of examination?—A. Just for the occasion.

Q. Did you or not have some sort of collision with the company police after you arrested this first man?—A. After my going back from the house I immediately went to the squire's office; I went to the far end of the crowd and the special police officer, so he says, hollered "Shields."

Q. Who was that?—A. A special officer named Igo.

Q. One of your men?—A. Same as I am. He called me over and hailed the Coal and Iron police—there were a few walking up the street two men deep; they were halted.

Q. Who halted them?—A. Mr. Igo.

Q. And so the borough policemen called the company policemen to halt?—A. Yes, sir; and called me over at this time, and as they came to a halt each man has his two hands in his overcoat. In that position, I think, they came to a halt, and then they opened out and placed two revolvers in my mouth, and did the same to this gentleman here, Mr. Igo.

Q. Well, get through the proceeding.—A. When they halted the crowd came rushing down towards the police. I did not want to be hurt if they attacked the police and fired at them, and I got to one side.

Q. You backed out?—A. I backed out from the pavement and the crowd came down and I went back to one side, and the Coal and Iron police went down the street.

Q. What did the men say when they thrust their revolvers in your face?—A. "Keep back." The first Coal and Iron police on the right when they marched up the street.

Q. Did you know the men?—A. No, sir; I never seen the men before.

Q. Did they know then whether or not you were an officer of the town?—A. I do not think they did.

Q. You do not think they knew you were an officer of the town?—A. No, sir.

Q. Did you have a badge?—A. Yes, sir; I did, this [exhibiting badge].

Q. In full view?—A. Yes, sir.

Q. Was this day or night?—A. It was night.

Q. Was there any light, gas-light?—A. Electric light.

Q. Who were these men?—A. They were Coal and Iron police.

Q. Do they live here?—A. They came in that evening; I do not know where they come from. I think they came in on the train.

Q. Were they marching in here?—A. I think some other policemen expected these men in, and I believe they were sent here that night. I am told there was fourteen of them, but there may be a great deal more.

Q. Have any arrests been made here recently within your knowledge of miners for taxes?—A. No, sir; not that I know of. I know there was two Polanders in the lock-up that the tax-collector had put in for taxes.

Q. You have seen two men in the lock-up that the tax-collector had imprisoned for taxes?—A. Yes, sir.

Q. When was that?—A. It was about a week ago—over a week ago. These are the only men I know of arrested since for taxes.

Q. Have you a law in this State which authorizes the imprisonment of men for non-payment of taxes?—A. Not that I know of.

Q. Was this a poll-tax?—A. Borough, State, and county tax.

Q. What property did these men have?—A. They didn't have any property; they were going to leave on the train without paying their taxes.

Q. They had no property to levy on for taxes, and were going to leave on the train?—A. I understood that.

Q What were they to be taxed for if they had no property?—A. Our miners are all taxed whether they have property or not.

Q How much are you taxed, and how much taxes do you have to pay on property, and for what?—A. For borough, State, and school taxes, etc.

Q. What do they tax you for; on what do they tax you?—A. Personal tax.

Q. Whether you have property or not?—A. Yes, sir.

Q. Does a man who has no property pay as much tax as a man who does have?—A. No, sir.

Q. How much does a man who has no property have to pay?—A. Something over $3; $3.60 I believe.

Q. Just a tax on the man?—A. That is the tax on the laborer.

Q. In the nature of a license tax?—A. Yes, sir; a miner has something over $5.

Q. For the privilege of mining?—A. For the privilege to mine.

Q. Do I understand you to say that a man working in the mines, who has no property on earth except the clothes on his back, and they are ragged, that he has got to pay a $5 tax?—A. It makes no difference whether he has got clothes or not on his back, he has got to pay it.

Q. Who collects it?—A. The tax collector.

Q. Suppose the fellow has got nothing to live on, that he has nothing with which to pay the tax, then how does the collector get it?—A. Take his body for it; arrest him.

Q. What does he do with him?—A. Take him down to Pottsville.

Q. Put him in jail?—A Yes, sir.

Q. How long would they keep him in jail?—A. I do not know; it may be four or five days.

Q. Do they work the men out on the streets?—A. Not in this borough; I do not know what they do in Pottsville. They are sent to Pottsville right away.

By Mr. PARKER:

Q. What is your birth-place?—A. Ireland.

Q. When did you come here?—A. About eight years ago.

Q. Now do you know what the trouble was at Squire Shoemaker's office?—A. I was informed that Mr. Kreiger had some man or boy in there at the time.

Q. You understood that they had some one there?—A. I understood they had a man there.

Q. Did you not understand that he was having a trial there and that the crowd were this man's friends who tried to break in and release him?—A. Yes, sir; I understood that.

Q. Do you understand what Moyer was arrested for?—A. He was not arrested.

Q. Was he in your custody?—A. No; he come to the squire's office and a Polish man preferred charge against him for beating him on the cheek with the butt of a revolver.

Q. Was he arrested for shooting Heffron?—A. No one was arrested in particular for that.

Q. Was not a warrant or commitment issued for any one for doing so?—A. Not for shooting Heffron.

Q. Will you read that?—A. (The following was read;)

EXHIBIT 51.

COMMONWEALTH OF PENNSYLVANIA,
County of Schuylkill, ss:

To the constable of Shenandoah, in the county of Schuylkill, and the keeper of the common jail in the said county, greeting:

James Shields, this is to command you, the said constable, forthwith to take and deliver into the custody of the said keeper of the common jail the body of W. H. Moyer, lieutenant of police, charged before J. J. Monaghan, squire, one of our justices of the peace in and for the said county, with an assault and battery with intent to kill, by shooting at and wounding Michael Heffron and others, and you and the said keeper are hereby required to receive the said W. H. Moyer, lieutenant of police, in your custody in the said common jail and there safely keep until he finds sufficient surety in the sum of $200 bail for his appearance at the next term of Schuylkill court to answer, etc., or until otherwise legally discharged.

Witness my hand and seal this 3d day of February, A. D. 1888.

J. J. MONAGHAN, [SEAL.]
Justice of the Peace.

Q. Then this Moyer was arrested for shooting Heffron?—A. Some parties were willing to swear he shot Heffron.

Q. Then you took out this commitment for the shooting of Heffron. You said you arrested Moyer upon an entirely different ground?—A. I did not arrest him.

Q. But he was charged with shooting Heffron?—A. Yes, sir.

Q. Who else was charged with shooting Heffron?—A. Nobody I know of.

Q. Did you arrest a man for shooting Heffron?—A. No, sir.

Q. Was any one understood to be committed for shooting Heffron?—A. I understood that man was.

Q. This man Moyer?—A. Yes, sir.

Q. Did you arrest him?—A. No, sir.

Q. Who did?—A. He was not arrested until he come into the squire's office and this charge was preferred against him.

Q. What charge?—A. Beating this man with a revolver.

Q. Why, then, was the commitment made out for shooting Heffron?—A. There were other parties swore in the office that he shot in the crowd.

Q. Was any of this taken in writing; any affidavit?—A. Yes, sir.

Q. Who made the affidavit?—A. I could not tell.

Q. You had nothing to do with it?—A. No, sir.

Q. Was it your purpose to arrest either of these men to protect them from the mob?—A. It was to protect them from the mob and protect them from hurting any one in the mob.

Q. Then the purpose of arresting these two policemen by yourself—as another set of policemen, was partly to keep them from harming others, and partly to keep others from harming them?—A. Yes, sir.

Q. You thought it would be safer for the Coal and Iron police to be at Pottsville than to remain here, and therefore you were not acting independently of the policemen, but really endeavoring to protect them?—A. Yes, sir; I thought they were not doing right to fire into a crowd of men. Some there was innocent of the thing.

Q. You understand me clearly. I say you were seeking in part to protect the Coal and Iron police from the mob?—A. No, sir; I was not.

Q. That was not part of your purpose?—A. No, sir.

Q. Then you were acting entirely in good faith in arresting them?—A. Yes, sir.

Q. You wanted them arrested to punish them for what they had done?—A. For firing in the borough.

. You had no purpose to protect them from the mob?—A. Yes, sir; was the reason; to keep the peace. I thought by arresting them ould quash the fuss right there. The policeman I arrested told me e before we got into the squire's office and were going along the et, that if it was not for me they would have been killed.

TESTIMONY OF PETER C. KREIGER.

ETER C. KREIGER, sworn and examined.

Mr. STONE:

. Where do you reside ?—A. Shenandoah, this town.

. How long have you lived here?—A. Close on to twenty years.

. Where were you born ?—A. Within 9 miles of this place.

. What business are you engaged in?—A. I am a Coal and Iron e officer.

. Now ?—A. Yes, sir.

. How long have you occupied that position?—A. Next June will wenty-one years; that is, three years of that I have been off with ness.

. Coal and Iron police?—A. Yes, sir. I was off two years. I was ointed under State act of assembly, which was passed in 1867, I k. I was appointed under this act, which I am serving under at present time.

. What are your duties ?—A. My duties are to go back and forth he passenger trains and protect the passengers and the depots for Reading.

. This is the railroad police ?—A. Yes, sir; and around the collie-

. To protect the property of that corporation ?—A. Yes, sir.

. Were you present or did you take any part in these riots here a weeks ago, about which the witnesses have been talking ?—A. I

. Tell us what you know about it, as briefly as you can.—A. I went n to the lower end of this Main street to protect some men working Vest Shenandoah and see that they got home safe. Everything sed off quietly. As I come around a point of rocks here, I saw a vd gathering on the street that goes around Shenandoah City. I ran n there and when I got down there I saw the crowd, I suppose about hundred and fifty. I went through the crowd and I saw some cemen going to protect some of these men and were walking with n, and these parties were throwing stones and snow-balls and ice, I think coal and slate and some frozen missiles lying around re. It was quite well advanced when I got there. One of our offi- by the name of Mr. Moyer, as they came up with sticks in their ds, I think they were palings of a fence, very large size palings, them to drop that, and they would not give them up and they pretty near, and that opened the ball. The crowd rushed in then as others would come up they would grab their man. I got hold ne man and handed him over to one of the officers. Then there was ther one came up again with a stick and he was assisting the other , and I got hold of him and I pulled him in. I always carry a pair andcuffs with me, and with the assistance of one of the officers I put m on this man. I forced my way through the crowd with the inten- of going to the justice's office. I got through about 30 or 40 yards and I saw the crowd gathered around the officers and the offi closed together, and clubs going like they had more than th handle. I saw an officer drop and a prisoner run away and I officer get up again and run after him. I heard a pistol shot the smoke of it. I think there was five or six more shots, but t got so around there, and I got out of the way with my man. pretty thick crowd, and I come up to Squire Shoemaker.

Q. Who fired the first shot?—A. I could not tell. It was o officers that fired the first shot in that crowd.

Q. The first shooting, then, was done by the police officers?— sir; they had to protect themselves; they were worked down. this officer tumble. When he got up he fired a shot, and then bing began.

Q. Was Captain Christian in that crowd?—A. No, sir.

Q. Did you see this splendid retreat of his?—A. Yes, sir; I

Q. Were you one of them?—A. I was.

Q. When was that?—A. I think that was Saturday the 4th ruary about 4 o'clock in the afternoon.

Q. That refers to this occurrence you have just been tellin Before or after that?—A. After that.

Q. How long?—A. The next day, in the afternoon about

Q. Who began the shooting that day?—A. I do not know; say who began the shooting, but I know it was pretty hot dodged several big lumps of coal and slate about twice as larg [illustrating], thrown at a pretty good distance.

Q. Who began the assault?—A. The mob began the assaul officers.

Q. By throwing stones at them and missiles of various kin Yes, sir.

Q. And the men retreated?—A. Yes, sir.

Q. Attempting no violence?—A. We attempted no violence

Q. Were you trying to avoid violence?—A. Yes, sir. They g close to us and we thought we should be killed, and we forme and faced to the front, faced the mob, and I thought that the would probably give the command to fire, but he did not. We for a little while and then faced about again and marched off sl treating back towards the bridge.

Q. In your judgment had any shots been fired on the mob b returned their fire?—A. I think not.

By Mr. CHIPMAN:

Q. You say you carried a prisoner to Squire Shoemaker's A. Yes, sir.

Q. That was the same night that the Coal and Iron police ried to Squire Monaghan's office?—Yes, sir; the same evenin

Q. What happened at Squire Shoemaker's office?—A. Whil in there I wanted to give this man a hearing. He was a Pola I took a Pole up with me to interpret for him. I wanted n the crowd along. They were pretty close to our heels, and I or door locked and I ordered the man assisting me to stay at th

Q. Did you have a hearing?—A. We were about having a when stones began to come in the window. They began to as justice's office and they tried to force in the door.

Q. How many stones came in the window?—A. I could not I suppose the window was struck nearly a half a dozen times.

Q. Were the window-sashes broken?—A. I could not say the sashes were broken or not.

Q. How long were they stoning the place?—A. They tried to break n the door and the door was braced up in a way. There was an ironng board, I think, braced up against the door.

Q. You had taken him into this court and shut the crowd out and raced the door. Why did you shut the crowd out?—A. It would not ave been healthy to have them in there.

Q. Why?—A. I considered the way things was going my life was at pretty good risk.

Q. You thought the crowd would commit violence?—A. Yes, sir.

Q. Why did you think that?—A. I heard the racket outside and the hreats.

Q. What threats did you hear?—A. I could not understand.

Q. That is, the threats were in the Polish language?—A. It was all retty much Polish talk.

Q. So you did not understand it?—A. No, sir.

Q. Did you stay there?—A. I staid there until there was a committee sent up to get the men released as quick as possible for fear of a errific riot. I said, "If you get a sum we will deliver them up."

Q. What security were they to give?—A. The committee said, "What ail do you want?" We said, "We do not want very heavy bail." I aid, "$300."

Q. Did you fix the bail?—A. The squire asked me if I would, and I aid $300 was sufficient bail.

Q. You said that and the squire took bail for $300. Did you then eave?—A. Yes, sir; I left.

Q. Did you go out among the crowd?—A. No, sir; not among the rowd.

Q. After the man was bailed did he go out?—A. Yes, sir.

Q. Where did you go?—A. I went out the back way.

Q. How do you mean the back way?—A. The rear of the lot.

Q. You went out the back way?—A. Yes, sir.

Q. Why; in order to get away from the crowd?—A. I was.

Mr. PARKER. You would have been willing to have let him go, if necessary, on half that bail?

Q. I think I would.

TESTIMONY OF LEWIS LEHE, Jr.

LEWIS LEHE, Jr., sworn and examined.

By Mr. CHIPMAN:

Q. What is your business?—A. My occupation, it was on top of the slope.

Q. On top of what slope?—A. Turkey Run colliery.

Q. When did you work there?—A. The last I worked was on the 1st ay of this month.

Q. Where is that mine?—A. At the southwest end of this borough.

Q. What company is mining it?—A. The Philadelphia and Reading oal and Iron Company's mines it.

Q. You say you worked there on the 1st of this month?—A. Yes, sir.

Q. Did you not go out in January?—A. I did; yes, sir.

Q. Do you belong to the Knights of Labor?—A. I do, sir.

Q. How long did you stay out?—A. I didn't go to work in January nti the 27th. I quit work on the 27th of December.

Q. What did you quit work for?—A. Because we had no cars on account of the railroad strike and was told there was no work for me.

Q. Did you apply for work afterwards?—A. I applied yesterday morning.

Q. What did you say your duties were?—A. Head man at the head of the slope.

Q. What do you do?—A. Taking and chaining cars, putting chain on the empty car to let it go back. The slope is inside of the mine and the car comes down of its own weight.

Q. The system we have in other mines as one car goes down the other comes up?—A. Yes, sir.

Q. You say you had that place, and stopped on the 27th of last month because they had no work for you?—A. Of December, I mean.

Q. You stopped until when?—A. Until Mr. Williams ordered me to go to work on the 27th of January.

Q. You went to work?—A. I was ordered to work that day, but I think it was the 28th I went to work. I worked three days—no, there was Sunday in between.

Q. You worked three days, with Sunday between. Why did you stop work?—A. I worked on until the 1st of February. Then Mr. Williams came and told me the colliery would start the next day to mine coal. He said, "I suppose you have no objection." I said, "No, sir; I haven't." "Well, we want to know what you are going to do?" I asked in what way. "Will you go to work to-morrow?" I asked Mr. Williams what he was going to pay. "I have nothing to do with the pay," he answered. I said, "I can not handle any coal under them circumstances, Mr. Williams." He says, "Our repairing is now done, and if you can't handle any coal you had better not come to work to-morrow." "All right, sir," says I. He says, "Understand you are not discharged, do not go away with that opinion." "All right," I says; and he says, "You tell Mr Church to come up here." Mr. Church was my boss. I went down the slope where he had been working, repairing, and I told Mr. Church to come up. That was all I know. We were ordered to go to work at a large meeting in town, and we decided to go to work; and we returned yesterday morning, and I was informed by my boss there was no work for me. I wanted to know what was the reason. He said, "I understand for disobeying orders." I asked when. He said, "On the 1st of February." "All right," I said, and asked permission to get some little things I had, and he gave me that permission. Then I asked Mr. Church for a recommendation for work. He told me he would consider over the matter. He was to give me notice when to come. That is all I know.

Q. What were you doing in the mine or at the mine or on the slope at the time the other men were out?—A. I was repairing the mine.

Q. Keeping the mine in order?—A. Yes, sir.

Q. The men engaged in that, as I understand it, did not strike?—A. Some of them did. I was away when these men struck. I was out of this county, and when I returned they was out. Mr. Williams asked me why I was not at work. I told him I was away on a visit.

Q. How many struck?—A. I could not tell you; I was not here.

Q. At the time you told him you could not work on coal, what did you tell him that for?—A. Because I did not know what I was going to work for; he could not tell me.

Q. Did you do that because you did not know who you were going to work with?—A. No, sir. I told him I could not work under them circumstances; that I could not work without the 8 per cent.

Q. You wanted the 8 per cent., and you did not care to work unless

got that. Did you ask him what other men were going to work?—
Yes, sir.

The strike was in force?—A. Yes, sir.

If you got the 8 per cent. you would have gone to work?—A.
st likely I would.

And when you went back yesterday you were refused work?—A.
, sir.

r. Parker. Are you a practical miner?

he Witness. I am not, sir.

Do you see one here?—A. None working at my colliery.

There is no one here whom you recognize as being a practical
led miner?—A. None I can see in the front row here. There is no
ers at my colliery, where I have been working, here in the front row.

TESTIMONY OF HENRY MOLL.

enry Moll, sworn and examined:

r. Parker. What is your name?

he Witness. Henry Moll.

What do you know about this matter; or are you acitizen residing
e, in business in this town?—A. I am an engineer by occupation.

Where employed?—A. Turkey Run colliery.

When did you cease to be employed there, or are you still employed
re?—A. I am not employed now.

Do you know what testimony is expected from you, or rather you
y tell your story. Go on and state what you wish to.—A. In the
t place I belong to the Knights of Labor; I wish that understood; I
ong to the order of the Knights of Labor. When the strike com-
nced I still kept on working, kept on repairing what was to be done
repairing the engines and pumping the water also.

You pumped until when?—A. I pumped until the 1st of this month.

Then did they require some other work of you?—A. My work in
colliery when it is in regular operation is hoisting coal.

Did you have a chance to hoist coal since the strike began?—A.
, sir.

Did you decline doing so?—A. Yes, sir.

And since the strike was declared off have you presented yourself
work?—A. Yes, sir.

What answer did you get?—A. The boss's answer was that there
no work for me.

Who was the boss?—A. Mr. Church.

Did he state any reason why there was no work for you?—A. Be-
se I did not obey orders.

In raising coal at the time you were called upon to raise it, were
men employed who were not Knights of Labor?—A. No, sir; noth-
mentioned of that kind. I refused to hoist coal because the order
m the executive committee from the Knights of Labor said there
ld be no coal hoisted.

And you obeyed the Knights of Labor instead of obeying your
s?—A. Yes, sir.

And when you went back and wanted to work the boss told you
did not want you?—A. Yes, sir.

That is all there is of it?—A. Yes, sir.

Q. Has he put some one in the place you formerly occupied?—A. I guess some one in the neighborhood.

Q. Well, there is a man doing the work you refused to do?—A. Yes, sir.

Mr. STONE. Is there anything else you want to tell?

Mr. PARKER. You have read over this agreement providing for the men to go to work again?

A. Yes, sir.

Q. Do you understand that there is any agreement to arbitrate for wages after you go to work?—A. No; I do not understand it that way.

TESTIMONY OF JAMES O'HEARN.

JAMES O'HEARN, sworn and examined:

By the CHAIRMAN:

Q. Where were you born?—A. In Ireland, sir.

Q. How long have you been in this country?—A. I guess I have been about thirty-five years.

Q. How long have you been in the State of Pennsylvania?—A. That long, sir.

Q. And in this county?—A. And in this county, in the Schuylkill region.

Q. You are well acquainted with the mines and the people?—A. Yes, sir; I worked many a year at the mines.

Q. Are you engaged in the mining business now?—A. I am engaged as a carpenter, working around the town; building houses and repairing them.

Q. Did you see the riots that occurred in this town, or near here, in the early part of this month?—A. I did on the Saturday.

Q. The riot that occurred on Saturday. Will you please tell the committee how it occurred; who was responsible for it, and what you saw and heard in this way? Tell us all about it.—A. When we heard first, the advisory board of the Knights of Labor were meeting in the hall, and fifteen minutes before the thing occurred we got word that there was a gathering around Kehley Run colliery. So John W. Morgan—no, there was two Polanders went out then to talk to the Polish party and try to get the crowd away. They were talking and John W. Morgan, Pete Igo, and myself were going to see the chief burgess, and we offered our assistance in a body as citizens to disperse the mob; so Mr. Morgan being slow of walking, we did the running, me and Igo. We got to Kehley Run colliery ten minutes before the bell rang.

Q. What bell?—A. The bell for stopping the colliery in the evening. The Coal and Iron police were there, about fifteen or twenty, to the best of my knowledge, all around the office, and the mob was close to the office. When I went up they halted me. I told them I came as a citizen to try to break up the mob—try to get them away.

Q. Who halted you?—A. One of the Coal and Iron police. He said, "All right," that we could pass, and put down the clubs and things they had. We got back, I guess, about 600 or 800 yards. There was a string along the railroad we got back that far, and the Coal and Iron police started for the middle of the town and they got into the heart of the mob. When they saw they could not get any further, they stopped there about a minute or two when one of the policemen jumped from the police ranks and grabbed a man in the crowd. As soon as he did that I grabbed him and I told him we came there to try to get the mob away, but it seems he was trying to raise a racket. Christian jumped to the front and grabbed me. I said, "All right" The boys were firing snowballs but the crowd was not. I said we would try to crush it. They went back to the office again and they took down along that flat, and as they were going up on the rise up to the road bridge, two of their men fell and one fellow shot himself. They went along back and they fired three or four bullets. Of course there was a few shots from the other side, too.

Q. When these Coal and Iron policemen fired first and the fellows made for them, was that the beginning of the riot?—A. Yes, sir; the shooting. It was the beginning of the shooting at that time.

Q. Please tell of what nationality the bulk of the crowd consisted when that riot began. Were they Hungarians, Italians, Poles, Americans, Irishmen, or what?—A. They were all mixed up there.

Q. What element predominated?—A. I guess the Polanders were about the strongest racket there.

Q. Are there many Polanders here in this immediate vicinity and mines?—A. There is a good many; a good number.

Q. The crowd or mob, as some call it, did not fire the first shot?—A. No, sir.

Q. Did you personally know or did you see anything of the rescue of the prisoners by the attacks on the two magistrates' offices and the prisoners escape by the rear?—A. No, sir; I do not know anything about that.

Q. You did not see anything of that?—A. No, sir.

By Mr. STONE:

Q. You say there are a great many Poles and Huns?—A. Yes, sir.

Q. Are there Italians in here?—A. Not many Italians.

Q. You say there are not many Italians?—A. No, sir; I do not think there are.

Q. What nationality of people predominates among the men population?—A. There is all nationalities for that. I do not know I could say about that. I think they are mixed up pretty well.

Q. Do these Poles and Huns generally speak the English language?—A. A few of them; some of them can speak it.

Q. You say that comparatively few can speak the English language?—A. But few of them speak English.

Q. They are recently in the United States, as a rule?—A. I do not know.

Q. Do you know whether they are citizens, as a rule?—A. Some of them, but I could not tell how many.

Q. You can not answer how many?—A. I can not say how many.

Q. Can you answer whether, in your judgment, as a rule, these people have declared their intention of becoming citizens of the United States?—A. I do not think they have.

Q. Does the nucleus of your population in the mines tend to decrease the wages of citizens here engaged in the same business?—A. That was the calculation when they came here.

Q. That it would lower wages?—A. Yes, sir.

Q. Why do you say that?—A. The reason I say that is the collieries hire them; but they would only pay them $1 or 75 cents outside.

Q. Did they come here voluntarily, or were influences operating to bring them here?—A. That I could not tell you.

Q. Do you know whether any men have been brought here at any time in numbers?—A. There is no doubt there was, but I do not know who fetched them.

Q. Brought to these collieries here?—A. Yes, sir.

Q. Directly from Europe?—A. I do not know where they came from, but they have come here, a crowd of them.

Q. Are not Chinese at work in these mines?—A. Not that I know.

Q. Are these Hungarians and Poles contented to work for less wages than others?—A. Yes; I guess they do. That is the calculation, I guess, for fetching them here.

By Mr CHIPMAN:

Q. You are in business here?—A. Yes, sir.

Q. What is your business?—A. I am a carpenter building houses around town.

Q. You are pretty well acquainted with the people?—A. Yes, sir.

Q. How long did you say you had been here?—A. I guess I have been here eighteen or nineteen years.

Q. You are not connected with the mining company?—A. No, sir.

Q. Are you connected with the miners especially?—A. No, sir.

Q. Whenever they want a house you build it for them if they pay you for it?—A. Yes, sir.

By Mr. STONE:

Q. Do you build many houses for men working in the mines?—A. Yes; most of them.

Q. What class of houses are they as a rule which you build for men working in the mines?—A. They are just a sort of common house you see on the outskirts of the town—wooden.

Q. Do they own houses?—A. Yes, sir.

Q. Own ground?—A. Yes; some are on leased ground.

By Mr. PARKER:

Q. Has there been any suffering of any amount here among the people occasioned by this strike?—A. Yes; there has been a great lot of it.

Q. Describe it.—A. A great many of the people were poor and could not stand it. We had to make aid several times; get money and give it to them.

Q. You mean the Knights of Labor did that?—A. Yes, sir.

Q. And without that help there would have been a great deal of suffering?—A. A great deal of starvation.

Q. Has there been any help, any other, that they have received that you know of?—A. No, sir; not to my knowledge.

Q. What has been the effect of the strike upon the business of the town, tradesmen, grocers, and merchants?—A. I guess it has been pretty heavy on them.

Q. Describe in what manner.—A. You mean in the money they are getting in now and before the strike?

Q. No; I want to know the effect on the town, on the business men by the occasion of the strike.—A. They did not get one-half they used to get when the men were working.

Q. Now, tell me as to tradesmen having to supply those that they felt confidence in.—A. I do not know what you mean.

Q. I want to know if the miners have become in debt to the tradesmen?—A. Yes, sir.

Q. Grocers and all that?—A. Yes, sir.

Q. Is that quite the general condition?—A. Yes, sir.

Q. That the men selling groceries and food and such things have trusted the miners who were out on a strike largely and now the miners are owing them, in the aggregate, a very large amount for this advance?—A. Yes, sir.

Q. Has that reduced the business of the place also considerably by tying up capital?—A. Yes, sir.

Q. But you do not think there has been much suffering among these people?—A. Some of them had it pretty bad, of course, and whatever little relief we gave them was pretty good.

Q. This town is built by the miners' money mostly, almost altogether?—A. Well, no; I could not say that.

Q. Is it not largely by the earnings of the miners?—A. I guess it would be.

Mr. CHIPMAN. What other business is there?

A. Tavern-keepers.

Mr. PARKER. The miners would support the saloon-keepers?

A. Yes, sir.

Q. And the houses were built by money earned by the miners—so really they are built by the miners?—A. Yes, sir.

Q. Can you give any estimate of the amount the miners now owe the business men on account of these advances?—A. That I could not tell.

TESTIMONY OF JOHN McCUTCHEON.

JOHN McCUTCHEON, sworn and examined.

By Mr. STONE:

Q. What did you say your full name was?—A. John McCutcheon.

Q. Where were you born?—A. In Scotland.

Q. How long have you been in the United States?—A. Fifty-two years.

Q. Are you a citizen of the United States?—A. Yes, sir.

Q. How long have you lived in this vicinity?—A. Nine years in this borough.

Q. How long have you been a miner?—A. Forty-four years.

Q. Coal mining?—A. Yes, sir.

Q. Has that been your trade for forty-four years?—A. It has been my occupation for forty-four years.

Q. Where did you mine before coming to this vicinity?—A. In the lower end of Schuylkill County.

Q. How long have you been in the anthracite region?—A. Thirty-one years.

Q. Have you been mining anthracite coal all that time?—A. Yes, sir.

Q. Actually engaged in mining?—A. Yes, sir.

Q. Where are you at work now?—A. In Indian Ridge colliery, when I was working.

Q. Are you at work now?—A. No, sir.

Q. Why not?—A. Well, we came out on strike the first of January.

Q. Is that one of the Philadelphia and Reading Coal and Iron Company's mines?—A. Yes, sir.

Q. Then you have been working for that company?—A. Yes, sir.

Q. How long have you been working for that company?—A. I first worked for that company in 1873.

Q Have you been at work since then?—A. I was out of employment about five years.

Q. And you have worked the rest of the time since?—A. Yes, nine years in that colliery.

Q. You went out on strike in January?—A. Yes, sir.

Q. Has that colliery resumed work since?—A. No, sir.

Q. Did it not begin yesterday under the order of Master-Workman Lewis?—A. It is under repairs and not ready to start.

Q. How do you work for this company—by contract?—A. Yes, sir.

Q. You have been doing what is called contract mining?—A. Yes, sir.

Q. Did you do any mining by any other method?—A. Not much.

Q. The great majority was what you call contract mining?—A. That is the principal.

Q. Well, you say you mined by contract, or did contract mining; what do you mean by that?—A. That we worked in the breast for so much a wagon or car.

Q. Did not some men work for so much a yard?—A. Yes, sir.

Q. Is that contract mining?—A. Yes.

Q. Have you ever done that sort of work?—A. Yes.

Q. What are the dimensions of the block worked under that system of working by the yard?—A. Well, it differs according to what vein it is.

Q. According to the thickness of the vein?—A. Yes.

Q. If the vein was 20 feet thick, what would be the dimensions of the block?—A. I could not exactly say just now.

Q. Take your plan under which you are working, so much a car, how much do these cars ordinarily hold?—A. There is 104 cubic feet in an Indian Ridge colliery.

Q. How many tons?—A. By that dimension, what we measure it, there is 48 cubic feet allowed to the ton.

Q. How many cubic feet are in these?—A. One hundred and four, I think, to the best of my knowledge.

Q. Can you state, without leaving it as a matter of calculation, how many tons of coal are in one of these cars when full?—A. There will be about 2½ tons in a car before it goes through the breaker. The breaker loses a great deal in refuse.

Q. When this is put on the cage to be hoisted there is about 2½ tons?—A. Yes, sir.

Q. Now, do you work alone in filling these cars or do you have an assistant?—A. I have an assistant.

Q. Two of you work together as a rule?—A. Yes.

Q. How many of those cars of the dimensions you have mentioned can a man ordinarily fill in a day of ten hours?—A. Well, it would take two men together good work to keep up five a day.

Q. Good work to mine 12½ tons of coal a day?—A. Yes, sir; to put it down and to load it in the cars.

Q. That you are required to do under the contract?—A. No, we are not required to do that; if we can not do that we don't.

Q. Just explain to me what you do do under the contract?—A. The work under the contract system by the wagon or car, we are paid so much for each car according to the number we put out. If we can not put out five cars and put out four, we are paid for four; if we put out three we are paid for three, and so on; but five would be good work for two men to keep it steady, provided we got good cars. That is, where I am working.

Q. This is the way you say most of the miners are working?—A. Yes.

Q. You go into a mine and take coal out of the flat and load into these cars and send it out for so much a car?—A. Yes, sir; after we load the coal on a car we are done with it.

Q. Then it is taken charge of by other persons?—A. Yes.

Q. Well, the two men can load generally about five cars a day?—A. Yes; that would be good work.

Q. That would be average work?—A. Yes; and good work to keep that up.

Q. How much do you get per car?—A. In the vein where I am working, for 10 yards of breast we received $1.10 a car.

Q. You got, say, $1.10 a car of 2½ tons?—A. Yes.

Q. Can you load as many cars at $1.10 as you can at $1?—A. No, sir.

Q. Why?—A. After we get up the pitch is not good to run the coal and we have to shovel and push it down and then load on the wagon, and that is extra work because of the pushing.

Q. And the 10 cents is added to equalize the wages?—A. Yes, sir; to equalize that work.

Q. Well, the two men then can make about $5 a day between them?—A. Six cars would be that.

Q. The gross earnings would be about $2.50 apiece?—A. Yes.

Q. Now your gross earnings for mining 12½ tons of coal are $5 per day for two men?—A. Yes.

Q. What expenses, if any, are you put to in mining that coal?—A. We provide the tools, powder, oil, paper, cotton, and all things to reduce it.

Q. How much do you pay for powder?—A. $2.15 a keg.

Q. Who do you get your powder from?—A. The company.

Q. Do you know what it costs the company?—A. No, sir.

Q. How long will a keg of powder while you are working last you?—A. About 3 days.

Q. Then it costs a little over 70 cents per day for powder?—A. Yes, sir.

Q. What expenses are you at for tools; what tools do you have?—A. We have picks, drills, shovels, and all the tools needed in blasting.

Q. Well, you buy these tools?—A. Yes, sir.

Q. They are your property?—A. Yes, sir.

Q. How much will the outfit cost you?—A. To buy it at first will cost about $10, I think.

Q. Is there any daily expense incurred so far as tools are concerned?—A. The wear and tear expense per day is to be added. Where the steels wear off the point of the pick we have to get it repaired the same as the drills, etc.

Q. How long will these tools last you ordinarily?—A. That depends upon the quantity. A great many men have several and do not use one all the time, which causes them to last longer. I think a drill, if you kept using it, will last about six months. A drill would cost 50 to 75 cents; that is, steeling it.

Q. Are you at any expense in repairing your tools, sharpening them?—A. No; we get them sharpened for nothing.

Q. What expense are you at daily for oil?—A. It would cost about five cents a day, I should think.

Q. Do you use cotton?—A. Yes.

Q. What do you do with cotton, for blasting in some way?—A. No; to use in lamps.

Q. For wick?—A. Yes.

Q. Does that expense amount to anything much?—A. No; it does not amount to a great deal.

Q. To what other expenses are you subject?—A. We have to buy paper to make cartridges for the powder.

Q. What does that cost you per day?—A. I could hardly tell what it cost a day.

Q. Well, any other way so we get the figure?—A. We pay 30 cents for a half a quire of it.

Q. How long will that half a quire last you?—A. Some places it would last three or four days; some places it would last for a week; according if there was water in the coal we would have to use more.

Q. It costs, then, from 5 to 10 cents a day?—A. No; about 5 cents a day would pay for the paper.

Q. Any other expenses?—A. Squibs we use to fire the shots.

Q. Does that amount to anything?—A. It amounts to a little; about 25 cents a hundred for them. You would use from five up to ten in a day sometimes.

Q. I figure that expense altogether at something like 85 cents a day, which would leave you about $4.15 a day to be divided between the two men?—A. Yes, sir.

Q. Do you think that is a fair estimate of the wages you receive?—A. That is a fair estimate of the wages I receive and of the men working in that gangway.

Q. About $2 a day?—A. Yes, sir; that is, without counting any percentage on it. If the coal was above the $2.50 basis we would have a little more.

Q. I am calculating on the $2.50 basis.—A. Yes; calculated on the $2.50 basis.

Q. Now, I want to get at the cost per ton, so far as the miner is concerned, of producing this coal. Two men can mine about 12½ tons per day; if the men receive $5 in gross that is 40 cents a ton.—A. I should think that would be about it.

Q. The miner receives about 40 cents per ton for the coal he mines?—A. Yes.

Q. Do the miners in this region on an average receive 40 cents per ton on the coal they mine?—A. Some of them more and some less.

Q. Well, the average is all we could get at.—A. Well, I suppose, taking it all together, it would be nearly the average.

Q. The vein you worked is about an average vein?—A. Yes; some larger and some smaller.

Q. Can you tell this committee what are the other items of expense to the operator, to the Coal and Iron Company, aside from interest on their plant and the cost coming to you as a miner, which is 40 cents a ton for mining coal?—A. No, sir; I could not.

Q. Can you indicate what are the sources of expense?—A. The sources of expense would be timber, rails, drivers, mules, hoists in the shafts or slopes, and then putting the coal through the breaker. That I could not give any estimate of.

Q. Take your mine, how many men are at work there?—A. I could not just tell you now how many men there are; 733 I think, men and boys, were employed in that colliery in the year 1886.

Q. Now, what proportion of these men and boys were actually engaged in mining?—A. I think there would be nearly one-half engaged in mining.

Q. And what were the other half doing?—A. Repairing the roads, vers, men at the bottom of the shaft, at the mouth, engineers, black- iths, carpenters outside the breaker, and slate-pickers in the breaker.

Q. Would the wages of these men be a part of the expense which ould be computed in estimating the cost of mining coal ?—A. Yes,

Q. Did the company pay that class of laborers, the half not included the actual work of mining, as much as they paid the miners ?—A. , sir; not individually.

Q. I mean individually ?—A. No, sir.

Q. The aggregate they paid the miners would be larger than the regate paid all the other men ?—A. Yes.

Q. The two classes being something like equally divided ?—A. Some- ng nearly equally divided, but the miners' portion would be larger.

Q. About how many boys were at work at that mine ?—A. I am not t prepared to say at the present time how many boys.

Q. As many as a hundred, do you suppose ?—A. More than a hun- d, I think.

Q. Two hundred ?—A. I guess inside and outside there would be 200 's employed, if not more.

Q. How much, ordinarily, do the boys receive ?—A. The driver boys ıld receive $7.50 a week; the slate-pickers from $2.50 up to, some king slate at $6 a week.

Q. What do you mean by driver boys ?—A. Those driving mules on inside.

Q. In your judgment would $5.50 be a safe difference between the two remes given by you, be about the average wages paid the boys ?— Yes, it would.

Q. How many engineers, about how many were there ?—A. There are , I think.

Q. How much do they get ?—A. They get from $2 a day to $55 a nth. There are some paid by the month and others paid by the day.

Q. It is pretty hard for me to follow that through with accuracy, but way of approximation there were 700 men ?—A. Between men and 's.

Q. Those 700 hands, half of whom, the 350 we will say, were miners, eiving gross from the company $2.50 a day ?—A. I think that would what I would figure the pay for the average miner. There is no ıbt some miners make a great deal more than others, and I do not ık the average is $2.50 a day.

Q. Gross, I said, without subtracting their expenses ?—A. No; there some individual miners making more than that gross earnings.

Q. Well, take your case: you said you could make about $2.50 a day, l I understood you to say that would be about the average.—A. out the average in the vein where I am working.

Q. I am talking about where you are working.—A. To understand, vein I work: there are three different veins in that colliery——

Q. I see that. But how about the other veins; are you familiar with se ?—A. With some parts of them I am and some parts I am not. ne parts of the colliery I have never been in.

Q. I will ask you this: Will the 40 cents a ton coming to the miners your case be above or under the average a ton for mining coal so far the wages of the miner himself is concerned ?—A. No, sir; I think t would be about the average of it.

Q. Then the expense to the operator would be 40 cents per ton for the ning ?—A. Yes.

Q. And half of the men are engaged in mining?—A. Yes, sir; about one-half.

Q. And more was paid by the company to the miners than to the other half of their employés?—A. Yes, sir; I think more was paid to the miners than to the other half.

Q. Then, if we should add another 40 cents to the ton, would it be sufficient to indicate the total cost so far as the wages of all the men were concerned, per ton?—A. I think, to the best of my knowledge and belief, it would, but I could not give in actual figures what it would be; but I believe to the best of my knowledge it would.

Q. Have you ever tried to figure it out?—A. No, sir.

Q. Suppose that to be true, that 80 cents per ton would represent the cost of labor to the operator, what other expense would he be put to?—A. He would be put to the expense of purchasing timber for the mine, rails, and keeping up repair and wear of the pumping machinery, and the machinery around the colliery.

Q. Can you indicate the comparative cost of that?—A. No; I have no knowledge.

Q. As compared to the labor?—A. I have no knowledge of that.

Q. Would it cost as much as the cost of labor?—A. No; it would not cost that much.

Q. Half as much?—A. I could not give you an estimate of the amount.

Q. You can not give an estimate?—A. No; but it would not cost as much as the labor would.

Q. If it cost fully as much, and your estimate is 80 cents a ton, that would make the cost of coal $1.60 a ton to the operator?—A. Yes; if it would be that.

Q. Do you think that is too high?—A. Yes, sir.

Q. You think it would not cost the operator $1.60?—A. No, not that.

Q. When coal is sold in the cars here at the colliery at $2.50 a ton, how much does the operator make per ton?—A. That I could not tell you, because I have no right average of what that expense will be.

Q. Do you say it would not cost $1.60 a ton?—A. It would not cost $1.60 a ton without there would be royalty besides.

Q. Royalty is to be added?—A. Yes, sir; ground rent.

Q. How much is that?—A. It runs from 30 to 35 cents a ton.

Q. I think Mr. Lewis or some one said they were paying 44 cents.—A. Well, there are some places higher than others. I know some places in this country where they ask 50 cents.

Q. Well, add 35 cents on for royalty. Is there anything else?—A. Not that I know of.

Q. That would make $1.95, allowing now for labor and these other expenses you spoke of; $1.60 a ton and royalty 35 cents a ton would make $1.95. Now, if that was sold at $2.50, that figuring would show a net profit to the operator of 55 cents a ton?—A. Yes, sir; at these figures it would.

Q. Are you prepared to state to the committee from your knowledge of this business—knowledge you have been acquiring for a life-time and with which you should be familiar—whether these operators do make as much as 55 cents a ton on this basis?—A. No, sir; I could not positively tell you that.

Q. Well, you went out on this strike demanding the 8 per cent.?—A. We demanded the 8 per cent. advance, or against 8 per cent. reduction.

Q. You wanted the 8 per cent. continued on the September agreement?—A. Yes, sir.

Q. It is not material about that; I simply want to get at the fact. We will take your view. At all events, you had demanded or did demand that 8 per cent. above the $2.50 basis should be given?—A. Yes.

Q. Did you make that demand with the knowledge that the company could afford to pay it?—A. It was made with the knowledge, I believe, of the workmen, that the company was able to pay it.

Q. Just suppose it to be true, as the officers maintain, that they can not afford to pay the 8 per cent. without incurring an actual loss to them on every ton mined. If you knew that to be true would you then demand an advance?—A. No; I do not think if the men knew it was true that the company was losing money, they would ask it.

Q. They would not consider it fair to ask it?—A. No, sir.

Q. Then they ask it upon the theory that the company is able to pay it?—A. Yes, sir.

Q. That being the case, is it based upon an intelligent knowledge of the business?—A. It is based by the men on the knowledge that they thought the company was able to pay it.

Q. You see what I am after; I want to ascertain whether in fact the company is right or the men are right as to the ability of the company to pay it; hence I am asking you, as an old miner familiar with the business, to tell the committee how you know the company is able to pay it?—A. When this $2.50 basis was formed—if you will just allow me about two minutes. The basis was first formed about the year 1869; that was the year we formed the basis. The miners and all the individual operators at that time met together and formed the basis on the $3 basis for coal at Schuylkill Haven. That was reduced in 1871 from that basis to the $2.75 basis. Then in 1872 from the $2.75 basis to the $2.50 basis. In the year 1875 they gave notice in the month of December for a 20 per cent. reduction in the wages on the $2.50 basis. The miners come out in Schuylkill and the Lower Lehigh region and Carbon County, and we staid near to six months, and had to go in at the reduction of 20 per cent. on the $2.50 basis, and since that we have received several reductions in all kinds of work from the $2.50 basis and the sale of coal at same price. The board of trade at that price allowed they were fit to pay these wages, and we considered if they were fit to pay at that time when coal was selling lower than now, they were fit to pay that 8 per cent. advance now.

Q. This is the basis of your calculation?—A. This is the basis of our calculation.

Q. Now, I understood you to say that in 1870, 1871, and along there, they paid you what?—A. They paid us on the $3 basis.

Q. Now, do you know what coal was worth then?—A. It was selling about the same it is selling to-day.

Q. About the same then that it is selling to-day?—A. Yes, sir.

Q. Have you any statistics that you can let the committee have upon that point?—A. No, sir; I have not, exactly, at the present time.

Q. You are speaking now with a full knowledge from your own memory of the prices of coal then and the prices of coal now?—A. I am speaking with a full knowledge of the prices of coal that I see in the public press now and what it was then.

Q. Were the operators at that time prosperous?—A. Some of them were.

Q. As a rule were they getting along and making money?—A. They appeared to be quite able to pay these wages.

Q. For the same work done now for which you receive $2.50, what would you receive then ?—A. We would have received $3 then for what we receive $2.50 now.

Q. About 33⅓ per cent. more ?—A. Yes; and on the $2.50 basis when it was the $3 basis, we would have received 40 per cent. more than we receive now. The day's wages has not been reduced so much as contract work.

Q. Do you know of any reason that would justify the operators for making this reduction ?—A. No, sir; I do not see any just reason they have for doing it.

Q. Do you know what reasons they advance for making the reductions ?—A. The reason they advance is they can not pay any more than competing companies.

Q. But competing companies are always competing ?—A. Yes, a great deal of them.

Q. Suppose they competed upwards, how about it then ?—A. Then that would cause $1.50 rise on the price of coal.

By Mr. PARKER:

Q. To how many competing companies do you refer ?—A. There is the Delaware and Lackawanna, Delaware and Hudson, Pennsylvania Coal Company, Lehigh Coal and Navigation Company, and Lehigh Coal Company.

Q. They are continually competing with each other to reduce the price of coal to the consumer, I suppose ?—A. I do not see any occasion of it.

Q. Let us look to the other competition then. Is there not a large excess of labor in the country ?—A. Yes.

Q. More than can be employed unless they go to farming more ?—A. The coal region is overstocked with labor.

Q. Does not that competing labor have the effect of reducing the wages of miners and other men ?—A. It has, undoubtedly.

Q. Well, now, you were born in the old country, but would be a fair witness in this respect; what do you think of the proposition for limiting immigration ?—A. I do not think they have any right to stop immigration.

Q. Then you would think we have no right to interfere with the adding to the excess of surplus labor we now have ?—A. Not as long as we have room in the country to spread it over.

Q. I will go back to another point. Now, are you familiar with the work in other collieries about here, and I presume to some extent you are ?—A. Not in this borough. I never have worked in this borough, but in other collieries in the county.

Q. You are familiar with the general methods of work; I suppose they are the same as in yours ?—A. Not altogether the same.

Q. Is the cost of mining in other collieries much above or below what you have stated in yours ?—A. Some places it is a great deal different. In the large veins where they work by the yard the miner receives a great deal less than they can by the ton.

Q. The general wages of the miners would average about $2 a day ?—A. I believe to go through the whole region that they would not average $2 a day the year round. But for the time worked they might average a little more in some collieries, and they cannot be below that in others.

Q. Do you mean by the time they would lose in the winter or do you mean by the state of work in different collieries ?—A. In the winter time they can not take usually as much coal as in the summer time.

Q. Now you speak of 2½ tons taken out at a time or upon certain conditions. Now do you estimate that 2½ tons when it is taken from the mine or after it has passed through the breaker?—A. No, sir; when it is taken from the miner.

Q. How much is that reduced by dockage or anything of that kind?—A. Some places it is.

Q. How much is 2½ tons of the mined coal outside of the breaker and upon cars for shipment, say?—A. The 2½ tons, I would suppose, would not average much more than 1¾ tons, if it would be quite that.

Q. You miners are sometimes docked for slate and other things; will you not describe about that?—A. To explain to you this docking system: It is dying out in this region to what it used to be; but if they find too much slate amongst the coal they dock you; if the wagon is not full enough to please them they will dock you.

Q. What other ground of dockage is there, if you recall any now?—A. That is about all the ground.

Q. Who is it that docks the men?—A. It is a man on the top.

Q. He is a man that is on the outside then?—A. Yes, sir.

Q. Of course he is an expert coal man; he must be to do that fairly?—A. Sometimes he is, and sometimes he is a man who never was inside of the mine.

Q. In that case he would be liable to misjudge the coal?—A. Well, yes.

Q. That is largely falling off. Is it used much now?—A. It is not used in the colliery where I am working at the present time.

Q. Do you not say, from what you know of the workings of the men in mining, that it is a very hazardous business?—A. Yes, sir.

Q. Can you make a statement of the miners who are seriously injured per thousand per year, or in any other method of computation?—A. I have seen it stated that the injuries for the year 1886 amounted, I think, to 116,000 tons mined.

Q. You mean one was injured in that amount mined?—A. Yes.

Q. We have heard sometimes some complaint that the wagons had increased in size; is there good ground for the complaint, and is that only occasional, and not serious?—A. Well, they do grow.

Q. How long had that growth been continued?—A. Since I come to this county thirty years ago they were 7 by 10½, and some used 3-ton wagons.

Q. How have the wages stood comparatively?—A. Well, they have grown, but not so much as the size of the wagons did.

Q. So that you got less pay proportionate for coal measured in that way?—A. Yes, sir.

Q. You have been out on this strike?—A. Yes, sir.

Q. You were in favor of this strike?—A. Yes; I voted for the strike.

Q. Did you ever take part in other strikes?—A. Yes, sir.

Q. What strikes in this country?—A. We had a strike in 1871, we had one in 1872, and we had one in 1875.

Q. Which was the long strike?—A. 1875.

Q. At that time was there not a great deal of suffering from the strike?—A. Some individuals did.

Q. Well, in your judgment, how has it been comparatively, that time and this?—A. That time we staid out from the 1st of January to the 16th of June against the reduction of 20 per cent. It would be natural to think that one of six months would cause more suffering than one of about six weeks. It is only six weeks here under the Reading Company.

Q. But it is a different time of year?—A. No.

Q. It covers the same period?—A. We went out the 1st of January, 1875.

Q. As a fact has there been a great deal less suffering this time, comparatively?—A. There ought to be.

Q. Is it, in your opinion?—A. Yes; I do not see really there was so much suffering in six weeks as in six months.

Q. I suppose a large proportion of the men who went out had large families?—A. Yes; a good many men had families and a good many were single.

Q. In your judgment, putting the matter at nineteen or twenty thousand men who went out in all, or, if that is too high, say eighteen thousand?—A. No; I do not think that under the Reading Company eighteen thousand would be putting it a great deal too high.

Q. Well, calling it eighteen thousand, how many people would have to be fed and supported; or, in other words, to that eighteen thousand how many should be added for women and children, old people and sick people?—A. Taking the average of families, five persons would be a fair average.

Q. You think that would be a fair average for the whole eighteen thousand?—A. Yes; that is the general average.

Q. Where it was necessary they have received some assistance from brother knights?—A. Yes, sir; some little.

Q. What has been the effect upon the business of the place here by the strike?—A. I could not say exactly what would be the effect, but no doubt it has a great deal of effect. Those who had means, I suppose, lived more economically when idle than when at work.

Q. And then there may have been some credits; undoubtedly some indebtedness grew up?—A. Undoubtedly, there would be indebtedness.

Q. I suppose it would be pretty large indebtedness where they had confidence in the men and gave them credit?—A. Yes, sir.

Q. Quite a large amount of that, you judge, here?—A. I do not think it is quite so heavy yet, but there is no doubt there has been a good deal of credit.

Q. Now, you spoke of these boys being employed; at what ages do they commence work?—A. You can find boys employed from nine years up.

Q. What wages do nine, ten, and eleven year old boys get?—A. They would be under twelve, but approximately not more than nine or ten.

Q. About what wages do they get?—A. From $2.50 to $3 a week.

Q. I suppose the school opportunities are satisfactory here?—A. Yes; there are good schools.

Q. So they are all you judge to be necessary?—A. There are good schools in Shenandoah.

Q. Now, have you made a computation of how much the miners have lost by this strike?—A. No, sir.

Q. Suppose you consider it. Would a million and a half be too much?—A. I could not tell you. A million and a half takes a long time to count; it is a big pile of money.

Q. Here are eighteen thousand men and boys; how much have they lost per day in earnings they otherwise would have got?—A. That would have to be counted—reckoning that they got the privilege to work every day, but in winter time they never do.

Q. Suppose you call twenty-four days in a month?—A. That would be too large an average.

Q. How much would you put the general average of time at?—A. About three-fourths of the time.

Q. Well, say from the 1st of January to the 20th of February, how many days' work they would have been employed have in your judgment been lost?—A. What we have done in former winters, we have lost a good number where the company put us on seven and a half hours a day, or three-fourths time. Then after we get that we lose days through storms and breakage of machinery as usual. Whenever they might have worked this winter or not, that I could not tell.

Q. Can you make an estimate of how many days could have been fairly computed as work days in January and up to February 20?—A. If they had still continued on with work full time and the weather we have here, I think they might have got twenty days, provided the company gave full time.

Q. Will you explain what you mean by three fourths time and not giving you full time?—A. It has been the custom of the Coal and Iron Company within the last number of years or thereabout, well it starts some time in December, but always from January for about the first three months or the first four months of the year, and they put us on three-fourths time.

Q. How do they do that?—A. Instead of working ten hours a day they work seven and a half hours.

Q. Did they do that last winter?—A. Yes, sir.

Q. And put you on seven and a half hours' work?—A. Yes, sir.

Q. For what period of time?—A. I can not say exactly what month they took up for. They took up a little earlier last year than the previous year, and I think we got three-fourths near to four months, but I will not be positive.

Q. These miners would prefer eight or ten hours a day?—A. They prefer to work full time.

Q. Why do they not?—A. They could not get leave; the company would not let them.

Q. And therefore they could not help themselves?—A. Yes, sir.

Q. What was the object in this reduction of time?—A. There was some said it was for daylight, but I suppose it was to curtail the production ot coal.

Q. This year there has been a great strike which has curtailed the production of coal, and another large one in the Lehigh region which has also curtailed the production of coal?—A. Yes; the Lehigh has been out nearly six months.

Q. Can you give us any indications that the company desired this strike, preferring it in the place of this reduction of hours of the miners?—A. No, sir; I could not do that. There are indications that the company did not care much. They would not meet our committee to make any arrangements with them.

Q. How did you receive the impression that they did not care much whether there was a strike or not?—A. Not unless that one showed, that of wages. I suppose if we went in at the old wages they would have worked on.

Q. Now, there is a loss, in your judgment, to the miners of the daily earnings of the miners of a million and a half by this strike in the Schuylkill region?—A. There has been a great loss in that respect, but I could not tell you how much. I suppose it would go over a million dollars in the wages that would have been theirs.

Q. All the average wages of these 18,000 men and boys would not come so low as a dollar apiece in a day, would they?—A. Yes, if you take them all through on the average.

Q. Some days, though, I say?—A. Yes, some days they do.

Q. An average of how much?—A. I do not think, taking all through, men and boys together, the average would be over $1.20 or $1.25 a day each.

Q. You have heard that a man standing high in the Reading Railroad Company had contributed $20,000 to the uses of the miners in the Schuylkill Valley recently?—A. I saw it in the papers.

Q. Have not the miners in this valley during this strike contributed to the cost every day just about that sum?—A. Yes; I believe they have.

Q. So this contribution only signifies about one day's contribution of the miners?—A. Only one day's loss by the miners.

Q. The railroads have lost large freights, I suppose, during the winter every year from not having coal?—A. They have lost all the freight on the coal.

Q. Can you make any computation of the loss to consumers by the increase in the price of coal?—A. I believe the consumer would be a fair average to say he had paid from 60 to 75 cents à ton difference in the price of coal.

Q. One of the effects of the strike has been to reduce the earnings of the miners and laborers connected with it tremendously, has it not? Another has been to reduce the railroad freights, and another to add greatly to the prices consumers have paid for coal?—A. Yes, sir.

Q. All of these are bad facts?—A. Yes, sir.

Q. Now let us look at the other side; can you give any benefits that have accrued from the strike?—A. Yes, I can give you one.

Q. What is it?—A. We asked our company for this percentage and a recognition of the organization of labor, and if they could not give it to us, the right to arbitrate. They have recognized the organization of labor and promised to arbitrate.

Q. Are you sure of that, sir?—A. The agreement of Master Workman Lewis, as published, states that.

Q. It recognizes the organization by its dealing with them in that connection, I suppose?—A. Yes, sir, it recognizes the organization of labor by dealing with them.

Q. Now, will you indicate the phraseology by which there is any suggestion of arbitration in this paper?—A. As I understand it, he says that he will meet and confer with them.

Q. He says that he will have a conversation with them; that is, with the employés; that he is willing to confer with them?—A. He said he will confer on this question of wages provided he is not asked to pay any more than other competing companies.

Q. That is no agreement to arbitrate; it is only an agreement to confer.—A. That is what I understand it.

Q. And until something else is agreed upon it remains at the $2.50 basis until there is a mutual agreement to make a change?—A. Yes, sir.

Q. And nothing further is agreed to be done except to confer with each other?—A. With each other.

Q. Has any man, woman, or child, anywhere, been affected by this strike, not included in what you have stated?—A. Well, they have not in one sense; but the workmen, I claim, have been deceived.

Q. I want to ask you a question I was coming to. Do you not believe it would be better for the organization of labor and consumers through the country if no strike was permitted to take place without approval being first obtained of the national executive board?—A. Yes, sir; I believe that strikes are injurious to all parties concerned.

Q. In the nature of acts of war?—A. Yes, sir.

Q. They should be avoided as long as possible?—A. A strike should be the last resource.

Q. Do you not think it would be a safeguard if strikes would not be permitted without the approval of the national executive board?—A. I think if strikes, if it could be possible to put them out of existence altogether would be a great benefit.

Q. Might they not be guarded in that way?—A. Yes; they should be guarded by some higher authority than for the workmen to say, we will go out.

Q. Beyond the power of a local assembly or a local committee?—A. Yes, sir.

By Mr. CHIPMAN:

Q. You say that there were stoppages in work and you could only get three-fourths of a day?—A. Yes, sir.

Q. You say the reason given was that the operators preferred to work by daylight?—A. Yes, sir.

Q. Do not the mines operate in the night?—A. Inside work goes on.

Q. Is there any using of the breakers outside in the night?—A. No, sir; they do not run the breakers at night.

Q. They do not in the anthracite region?—A. No, sir.

Q. Do they in the bituminous regions of this country?—A. I never seen them.

Q. They have no need of shifts, then?—A. No, sir.

Q. That is, in these mines here?—A. There is some night work done in the anthracite coal region along in places. I have heard there is. They carry on this in the bituminous regions.

Q. You say that you think that is a good reason?—A. That is the reason.

Q. Do you think it is a good reason?—A. Well, it is in some instances.

Q. How, and when?—A. In rough weather the men working seven and a half hours are glad to get inside.

Q. How many days a year do you average yourself of work?—A. Now I never kept count.

Q. Have you any objection to saying about how much you make in a year at the rate of wages you have now?—A. I could not, unless it was last year. I could give an estimate of what I made last year.

Q. While you had the 8 per cent.?—A. Four months of it, two months we had 4 per cent.

Q. About what did you make last year, if you have no objection to telling?—A. I made from $175 to $500.

Q. For the whole year's work?- A. Yes, sir.

Q. Have you any small children?—A. No, sir.

Q. Children grown?—A. My youngest is seventeen years of age.

Q. How does your earnings compare with others?—A. Well, I suppose what I made is about the average of workmen in this district.

Q. You think that they would average about that in this whole district?—A. No; the average, taking them all through, would come less than that.

Q. How much would the average be, according to your opinion?—A. I do not suppose the average would be over $400.

By Mr. STONE:

Q. Do I understand you to say that, in your judgment, the miners have lost in the way of wages a million and a half of money during this strike in the Schuylkill region?—A. I would not compute it at a million and a half; I could not compute it at those figures.

Q. Let us estimate; about 20,000 men and boys are engaged in the business of mining in this region; that is about correct, is it not?—A. Yes; that is about correct. The Reading Coal and Iron Company, I suppose, employs about 20,000.

Q. Then there are other companies besides in the Schuylkill region?—A. There are some individual operators. There is the Lehigh Coal Company has four collieries down here about a mile or a mile and a half, or 3 miles down the valley here.

Q. There are about 20,000 men altogether?—A. Yes; you could put it over 20,000.

Q. The wages of these people altogether would average $1 a day?—A. Yes; I suppose they would; putting men and boys together, I should say they would run $1 a day.

Q. Twenty thousand dollars a day; you say during the month of January twenty days would have been full work?—A. It would be a fair thing to put it; it would be good work for the month of January.

Q. And during the twenty days of February it would run in the same proportion?—A. I would put it in the same proportion.

Q. Well, at $20,000 per day for twenty days would be $400,000?—A Yes.

Q. So that, taking all these men together, the wages earned by the men would approximate something like a half a million a month?—A. Yes, I believe it would; it might come a little more than that.

Q. I guess that is not far from correct.—A. No; not much.

Q. What proportion of these men and boys are in Schuylkill County?—A. There is 20,000; they are all in Schuylkill County.

Q. Is this a very rich county?—A. Yes, sir.

Q. Is there a great deal of money in it?—A. I do not know there is a great deal of money in it, but there is a great deal of value in the land in it.

Q. It is rich that way; but I mean rich in cash?—A. I could not tell you, I am sure.

Q. I want to know what approximation this $500,000 or $600,000 bore in the way of cash every month?—A. It is pretty much consumed by feeding the families of the workmen.

Q. There is not one out of every ten that can accumulate out of it?—A. No; I believe not more than one out of every ten that have sufficient to put anything pass.

By the CHAIRMAN:

Q. How long did you say you had been in this country?—A. Fifty-two years.

Q. How long in the anthracite coal regions?—A. Thirty-one years past the 17th of last month in Schuylkill County.

Q. Do you know anything much of the mines and topography of the Lehigh and Lackawanna regions?—A. I never was in there.

Q. You have been only in the Schuylkill?—A. Only in the Schuylkill. I was a little time, three or four months, out in Illinois, but never in the Wyoming region.

Q. When you first came about the Schuylkill coal region were not there then a great many private coal operators—individual mine owners?—A. There were.

Q. About what number would you suppose?—A. Well, I could not give you any estimate of the number.

Q. Forty or fifty ?—A. Yes, there were forty or fifty I suppose, but I could not give you any estimate of the number at that time. I never traveled much. The first place I set down in Schuylkill County I staid there seventeen years.

Q. About what number of these private mine owners—individuals—are running mines now compared with when you first came into this borough ?—A. I do not think there is one for every six or seven there was at that time. There are very few individuals now.

Q. What became of the mines they opened; who owns them now ?—A. There are a great many mines individuals opened at that time; those yet worked at fell into the hands of the Reading Company.

Q. Then have some of these private coal mines fallen into the hands of other railroad companies ?—A. Not that I know of around here. I do not know of any private collieries without it is this No. 3 down here. That was a private colliery at one time and it fell to the hands of the Lehigh Company.

Q. When ?—A. I could not exactly say.

Q. Come in the neighborhood of it if you can ?—A. I think it got into the hands of the Lehigh Company something about 1872 or 1873. I would not be positive; I could not give any positive answer to that question.

Q. Has the Reading Railroad and Coal Company bought or leased any of these private coal mines within the last few years ?—A. Yes, sir.

Q. Please tell us some of them ?—A. They have bought or leased ?

Q. Give us about the number, say, within the last fifteen years ?—A. They have leased all the collieries in this valley in that time.

Q. Bought some and leased some ?—A. Bought some, I believe, and leased some; they are all in their hands I know any way.

Q. In what way or by what process do you think the Reading Company managed to get possession of these mines. Did it furnish the private mine owners cars impartially; that is, let these private mine owners have all the cars they wanted for transportation ?—A. That I could not say. I could not give any idea about the cars, and whether they gave them all the cars they asked for or not; I could not tell that.

Q. Will you give us some information how the cars were divided among the different mine owners, and how they got at it ?—A. There was a man by the name of John Brennan who goes around, or used to do it any way—I have not seen him around here for some time—he used to go around and take the capacity of each colliery.

Q. What do you mean by the capacity; the number of tons of coal the mine was capable of turning out ?—A. The number of tons of coal the mine was capable of turning out when it was worked at full.

Q. He went around and gauged the capacity of the mines ?—A. Just so: these cars were divided accordingly on his estimate and what quantity each colliery could fill up and ship. These cars were divided at that rate.

Q. What each colliery could ship and might be permitted to ship ?—A. They got the pro rata of what was to be divided.

Q. The pro rata of the shipper then divided out among all the coal miners ?—A. Yes.

Q. So, then, the gentleman came around to find out how many tons each mine could produce, or did he mean how many tons it might produce ?—A. I do not know that come in under his jurisdiction.

Q. He received his orders and merely carried them out; is that what you mean ?—A. He went around and took the capacity of the mines, and he reported at the office where that dividing of the cars was done.

Do you object to giving the committee an opinion as to whether
eading Railroad Company froze out these individual mine owners
miting the quantity of coal they should be permitted to transport
he railroad or by other means?—A. Well, now, I could not give
committee a decided answer as to that.

. By other means. I will suggest this method: whether the Read-
Railroad Company froze out these private mine owners first by
iting the quantity of coal in furnishing them cars to transport, or by
npelling these private mine owners to pay such high freights for their
al that they could not compete with the Reading Company in mining
al. Do you object to expressing an opinion as to either of those
ropositions?—A. My opinion of those propositions would be, that
ome of these individual collieries had got into a state that the owners
ad not the capital to put them into the condition as the Reading Com-
any has put them.

Q. Some of them got so?—A. The most of them I suppose has capital enough to carry them on.

Q. But saw it was no use to fight this giant?—A. They sold out to the company; what was the reason I never was in a condition to know.

Q. You mean to say that a pigmy can hardly contend with a giant?—A. No, sir; it would be no use for him to try.

Q. I will not press the question further, except to ask this, has not the Reading company absorded some of these private coal mines in the last five or six years?—A. They have got the Kohinoor colliery within the last five years. It was operated by Richard Hechscher & Co.

HAZLETON, *February* 23, 1888.

TESTIMONY OF D. M. EVANS.

D. M. EVANS, sworn and examined:

By Mr. CHIPMAN:

Q. Where do you live?—A. Freeland.

Q. That is a town within three or four miles of here?—A. Nine mi
of here.

Q. How large a town is it?—A. I judge there are from five to
thousand people there.

Q. That is your home?—A. Yes, sir.

Q. What is your present occupation?—A. A member of the legis
ture; Pennsylvania legislature.

Q. What district do you represent?—A. The fourth Luzerne.

Q. This place is in Luzerne County?—A. Yes, sir.

Q. How old are you?—A. Twenty-seven years of age on the 4t
next month.

Q. You say you are twenty seven years old?—A. On the 4th of
month.

Q. In early life what was your avocation?—A. I have been emp
in the mines since I was eight years of age.

Q. What was your business in the mines?—A. First, I was a picker, then a door boy, then a mine laborer, then a miner.

Q. How many years were you a miner?—A. I have been a
bout seven years.

you quit mining?—A. In December, 1886.

Q. You probably know, then, all about every department of the mining business?—A. I know something about it.

Q. Do you know anything about what is called the miners' strike here?—A. Yes, sir; I know something about it.

Q. In what is called the Lehigh region?—A. Yes, sir.

Q. Will you tell us what general area of land is embraced in the Lehigh region as distinct from the Wyoming and distinct from the Schuylkill region? Will you please describe the boundaries of it?—A. The Lehigh region is known as that portion of Luzerne County known as the fourth district of that county and a portion of Schuylkill County, the northern portion of it, a small portion of Columbia, and what is known as the Panther Creek in Carbon County.

Q. Then it is in portions of four counties?—A. Yes, sir.

Q. About what area is it, do you know, in square miles?—A. I could not say exactly.

Q. You have never estimated it?—A. No, sir.

Q. It is what is known as part of the anthracite district of Pennsylvania?—A. Yes, sir.

Q. There is a state of disorganization of labor here, is there not?—A. There is work going on.

Q. In the coal business?—A. No, sir, very little.

Q. Are the men on strike or lockout?—A. We are on strike.

Q. Will you be kind enough to give, in your own way, the cause of this strike; what caused the present strike, and the number of people engaged in it, etc.? I do not care to question you, because I know from conversation that you are perfectly capable of telling the story in your own way.—A. In 1871 the miners received $14 a week for their labor as miners. That was their wages; that was the amount paid them while coal sold at $5 at tide-water. The laborer received $12 a week; that is, the miner's laborer and the company's laborer—he is a man that does dead work—what we call dead work consists of laying track, cleaning roads, and something of that kind, hauling cars to hoist them up, etc., received $11.

Q. Is there any other class of laborers doing what is called dead work?—A. There are but two classes recognized in the mines; what is known as first class laborer and second class.

Q. Is there anybody else besides whom you have stated engaged in dead work? What is their work?—A. Shifting rock; for instance the miner is called company's laborer at times. His wages are based upon the company's man.

Q. Now, will you explain in regard to the wages of 1871?—A. I just want to show the difference between 1871 and the present time. The miners received $14 a week at that time. At the present time it is believed by the miners that the coal is selling for no less than it was selling at that time, and the body of miners are receiving $11.54; so you see the difference in the wage. In 1876 we made a demand upon the operators in this region, and as the operators were somewhat against organizations, we instructed the committees to come from the mines of their respective employers, men who worked under these operators, for them to go, thinking that they would probably get recognition, while representatives of the miners would not get recognition.

Q. You mean representatives of the labor organization?—A. We sent committees there from the mines of our own employers.

Q. Your plan was to send committees of the employes to the employers instead of sending committees of the labor organization?—A. Yes, sir. I was working in the Lehigh at the time, and I was one of the committee that went to the Upper Lehigh company with the demand in 1886. They utterly refused to receive representatives from them, or compromise in any way. We then made a second attempt, the date I forget, and we sent that in the shape of a circular, and we never received a reply, and the third occasion was August 17, 1887, when we sent by circular. I have one of them with me, I believe.

Q. Please show it to us.—A. (Producing circular.) We sent them the circular asking for the schedule drafted there by our committee, or to submit the matter to arbitration. They did not even honor us with a reply to that, and the miners, knowing from experience that they were not making a living, and that they must resort to their last method, namely, a strike, on the 10th day of September, 1887, a strike was ordered, and Monday morning the men remained from work. We have sent a letter to Mr. Coxe since the strike, asking for a conference.

Q. What was the date of that?—A. We sent a letter to Mr. Coxe. I could not give you the date, but I wrote the letter myself.

Q. What month was it in?—A. I do not think I could remember the month, but it was since this strike in September.

Q When was your strike, in August or September?—A. The 10th of September.

Q. Was it in September that you wrote the letter?—A. I would not say for certain whether it was October or November, but it was in one of those months.

Q. You sent the letter to Mr Coxe; now tell me who Mr. Coxe is?—A. He is an extensive coal operator in the Lehigh region.

Q. What mines does he operate?—A. Two breakers at Drifton, one burned down since the strike; one at Stockton, Beaver Meadow, Derringer, and a place called Gowen.

Q. How many mines does he operate; more than one mine at any one of these places?—A. There are two mines at Drifton, and I guess one or two at the others.

Q. Where does he live?—A. At Drifton.

Q. How many men did he have employed in the aggregate when the men stopped work?—A. I could not estimate.

Q. Can you come anywhere near it?—A. I should judge he might have four or five thousand.

Q. You say the letter you have before you, you sent to Mr. Coxe after the men stopped work?—A. This I have here is the basis.

Q. Have you a copy of that letter?—A. Mr. W. T. Taylor has a copy of that letter. Mr. Taylor dictated the letter and I wrote it.

Q. What was the substance of it?—A. The substance of the letter was that we believed in the miner meeting the operator and the operator meeting the miner, and discussing the differences between the two and try to get to an understanding and avoid these strikes. We sent with the letter a circular from W. P. Wren, an extensive coal operator. There was difficulty between Mr. Wren and the national district assembly, of which I am a member of the executive board. In this letter Mr. Wren appreciated the position of Mr. Lewis, who had taken the matter under consideration, and it was settled amicably between Mr. Lewis and Mr. Wren.

Q. Come back to the operators?—A. We tried to convince Mr. Coxe that by pursuing that course we could reach an understanding without injuring the public or ourselves.

Q. Now, before we go too far, I will ask you briefly to summarize the demand you made in that circular; not to read the entire circular. That circular we will have put in your testimony. What were the wages you asked?—A. Previously our wages were based on the actual price of coal at market, and that basis was $5.

Q. Five dollars at tide-waters?—A. According to which our wages had advanced or declined. Now, that the operators claimed that coal had been selling under $5 for a long period, and we believed that the operators could afford to pay us on a $4 basis what they were paying on the $5 basis, we asked them to rate their coal at $4 instead of $5, and not to reduce our wages any, for we believed they could afford to do this.

Q. What were they paying on the $5 basis?—A. Forty-two and a half cents per ton, 48 cubic feet to the ton.

Q. The $4 basis would be at tide-water?—A. Yes, sir. In the Wharton vein we asked for 6 cents extra per ton; on the gangway, per yard, it was $6.12, and in this demand we asked for $6.51 per yard; and not timbering, $5.35 per yard, and in this demand we asked for $5.78. For putting in chutes we received $2.87, and we now asked $3.10; air-ways, $3.25, we asked $3.51; miners, per day, while coal was selling at $5, they were receiving $2.10 per day, we asked now for $2.27; inside laborers, per week, were receiving $10.80, we now asked $11.66 for them per week; outside laborers, first class, they received $9.60, and we asked $10.37; second-class were receiving $9, we asked $9.72; blacksmiths, under the $5 basis, were receiving $2.75, we asked for them $2.75; carpenters were receiving $2.25 under the $5 basis, or should have received this according to the old basis, and we were asking $2.25 for them. On the 1875 basis, hoisting-engineers were paid $65 to $70; firemen, $55 to $60. A settlement on their wages will have to be with their agreement. Then we put at the bottom: Every settlement shall be made on condition of prices given for all narrow and dead work shall be advanced 8 per cent., and that all wages and prices that constitute the advance shall be the minimum at which labor shall be done, subject to advance at a rate of 10 per cent. with a rise of the price of coal above $5 at tide-water.

EXHIBIT 52.

POTTSVILLE, PA., *August 17, 1887.*

To the presidents of the several corporations, coal exchanges, firms, partnerships, and individual coal operators of the Lehigh and lower anthracite coal regions of Pennsylvania:

The undersigned committee, by virtue of appointment by a joint committee of the Knights of Labor, the Miners' and Laborers' Amalgamated Association, and the Eccentric Engineers Association of said anthracite coal fields, do now respectfully and finally demand that on and after the 1st day of September next you will pay all and each of your employés in and about the mines operated by you in accordance with the accompanying basis schedule as agreed upon by the aforesaid associations, or otherwise that you meet us on or before above date for the purpose of settling the question by arbitration. If arbitration is agreed to on or before that date work shall continue pending the same.

BASIS SCHEDULE.

1. Wages and contract prices for the lower anthracite regions shall be regulated by the average price of coal at Schuylkill Haven, and the minimum price of coal upon which wages shall be based shall be $2.50 per ton of 2,240 pounds, and the sliding scale or rate of advance on said wages and prices shall be at the rate of 33⅓ per cent. of the advance in the price of coal, as now.

For the Lehigh, wages and contract prices shall be regulated by the average price of coal at tide-water, and the minimum price of coal upon which such wages and contract prices for the Lehigh shall be based shall be $4 per ton of 2,240 pounds. And the sliding scale or rates of advance on said wages and prices shall be at the rate of 12.5 per cent. on every dollar or fractional part of a dollar advance in the price of coal at tide-water above $4 per ton, until the price of coal shall reach $5 per ton. And for all advances in the price of coal at tide-water above $5 per ton, all said wages and contract prices shall advance at the rate of 25 per cent. for every dollar or fractional part of a dollar above $5, which added to the above rate of 12.5 per cent. and the basis or minimum wages shall be the current rates of wages and contract prices.

2. The following shall be the basis wages and contract prices:

In all mining 48 cubic feet shall constitute one ton, and the basis price shall be 45 cents per ton for mammoth or big vein, and 50 cents per ton for wharton, or small veins not less than 4 feet thick. Extraordinary interventions of slate, rock, etc., to be provided for by special contract.

3. For mining all veins 4 feet thick and over, by the yard, company to load coal, $2 per yard lineal measure 8 yards wide, and 50 cents additional for each foot in thickness, and 50 cents per yard additional for each additional yard in width. The mammoth vein to be broken as high as the employer requires at the above prices.

4. For gangways (including timbering) of 6-foot collar, $6.50 per yard, 7-foot collar, $7, and current contract of price for coal, or $10 and $11 per yard, respectively, without coal, and 50 cents per foot for blasting rock.

5. For all narrow work of 25 square feet area, $3 per yard and current contract price for coal, or $4.50 per yard without coal, and proportionate price for all such work greater than said area.

6. For buggying, 5 cents per ton additional for the first 20 yards or less, and 5 cents per ton additional for each 20 yards.

7. For propping, 19 cents per foot lineal for all props put up.

8.For driving schutes, $3 per yard and coal, or $5 per yard without coal for 6-foot collar, and $1 additional per foot of collar or width of schute.

9. For putting in battery and platform, or schute, $13; for platform or schute alone $6.

10. For miners, per day, $2.25; for starters, per day, $2.25; for laborers, per day, $

11. All inside hands over seventeen years of age shall be considered and paid as laborers. Those under seventeen years of age, not less than $1.50 per day on basis.

12. For first-class engineers, $65 per month; tender engineers, $60 per month; locomotive, $2 per day; plane, $55 per month; breaker, $55 per month; firemen, $55 per month.

13. For blacksmiths, carpenters, and mechanics, $2.25 per day.

14. Outside labor, first-class, including platform and bar-men, tip-men, dumpers and bank-men, $1.75 per day; second-class, $1.50 per day.

15. Slate-pickers, twelve years of age, not less than $4.50 per week on basis; thirteen years of age, $5 per week; fourteen years of age, $5.50 per week; sixteen years of age, $6. All of said wages and prices shall be advanced with prices of coal as per sliding scale.

16. The average price of coal at tide-water and at Schuylkill Haven, by which current wages and contract prices for miners, laborers and mechanics on above basis shall be determined, shall be drawn or fixed on or before the third day of each month, by a committee of mining operators and miners of the respective regions, who, in their deliberations shall consider the sales to small dealers and purchasers as well as large ones. And the said committee shall under no circumstances be permitted to estimate or fix the monthly average by other standard than the five highest actual selling prices.

17. In all matters of narrow and dead work, timbering, gangways, putting relief timber, schutes, roads, and in difficult and dangerous employment, not provided for by the foregoing, where the employer and employé can not agree, shall be submitted to arbitration.

We respectfully ask that you will make answer on or before September 5, to any of the undersigned committee:

JNO. H. DAVIS, *Mount Carmel, Pa.*
JAS. BRODERICK, *Milnesville, Luzerne Co., Pa.*
M. J. SHIELDS, *Heckscherville, Pa.*
RICHARD THOMPSON, *Middleport, Pa.*
FRANK TERRELL, *Mahanoy Plane, Pa.*
M. B. SMITH, *Box* 101, *Mount Carmel, Pa.*

EXHIBIT 53.

Advance that may be accepted by the miners and laborers of any colliery in the Lehigh region 8 per cent. advance on basis of 1875 to be the minimum.

	Basis, 1875.	Minimum basis demanded, 1887.
Big vein per ton, 48 cubic feet	\$0.43¾	\$0.47¼
Wharton, per ton extra	.05$\frac{7}{16}$	.06
Gangway timbered—miner's coal, per yard	6.12	6.51
Not timbered—per yard, miner's coal	5.35	5.78
Schutes	2.87	3.10
Airways, per yard	3.25	3.51
Miners per day	2.10	2.27
Inside laborers, per week	10.80	11.66
Outside laborers, per week, first class	9.60	10.37
Outside laborers, per week, second class	9.00	9.72
Blacksmiths	2.75	2.75
Carpenters	2.25	2.25

On the 1875 basis hoisting engineers were paid \$65 to \$70 per month. Firemen \$55 to \$60 per month. A settlement on their wages will have to be with their agreement.

Every settlement made shall be on the condition that all prices paid for all narrow and dead work by the miners under the basis of 1875, as paid in 1875–'76, shall be advanced 8 per cent. and that all wages and prices with said advance shall be the minimum at which all labor shall be done. Subject to advance at the rate of 10 per cent. with the rise in the price of coal above \$5 at tide-water.

Q. Who was that demand made upon?—A. That has been made upon the operators of the Lehigh region.

Q. Will you tell us who are the operators of the Lehigh region?—A. Ario Pardee & Son; Pardee & Co., I suppose, operates under that name. Coxe Bros. & Co.; M. S. Kemmerer & Co.; Upper Lehigh Coal Company; Haydon & Co.; Leisinring & Co.; the Lehigh Coal and Navigation Company. I believe the Lehigh and Wilkes Barre Coal Company operate over in Beaver Meadow—no Audenreid; Stout Coal Company; G. B. Markle & Co.; Lindermann, Skeer & Co.: J. S. Wentz & Co.; G. M. Myers & Co.; Pardee Sons & Co.; Carter & Co.

Q. Any others?—A. Not that I can remember—Calvin, Pardee & Co.

Q. Do any more occur to you?—A. Not that I remember.

Q. Are these people connected with any railroad company?—A. I could not say.

Q. In other words, have the railroad companies, any of them that you know of, an interest in any of the mines which you have designated?—A. I do not know of a railroad company being interested in these mines.

Q. Do you know of any railroad company working any mines in this district which you call the Lehigh district?—A. None that I know of.

Q. You say you sent this circular embracing your terms to all of these operators. About how many, or how many hands are working in this Lehigh Valley system which you have described.—A. I estimate it at 20,000.

Q. You are quite familiar with the country?—A. I believe I am somewhat familiar with it.

Q. Have you lived here all your life?—A. No, sir; I have only been here about ten years.

Q. Well, you are not a very old man yet?—A. No, sir.

Q. So you have been here about ten years, and you have passed your manhood here at least?—A. Yes, sir.

Q. You have also been elected by the people of this district to the legislature?—A. Yes, sir.

Q. And I suppose, like most political gentlemen, you have been around considerably among the people and know them pretty well, so your opportunities for forming an estimate as to the number of men at work are pretty good?—A. I believe so.

Q. Now, this circular went to all these operators in the district. What reply did you get to it?—A. I do not remember receiving any reply whatever from any of our operators.

Q. That circular, as I understand it, went to the operators before the men went out to work?—A. Yes, sir.

Q. You were one of the committee who sent that circular?—A. No, sir.

Q. You were not one of that committee?—A. Not the last. The committee who sent that circular are known as the joint committee, and those who live in this region sending that circular are James Broderick, Hugh McGarvey, Robert Swedon.

Q. You say that no notice was taken of it?—A. Not that I know of.

Q. Who would the answer have gone to?—A. The answer was to be returned to the secretary, Hugh McGarvey.

Q. Does he reside here?—A. Yes, sir; but unfortunately he is in Washington with a sick child.

Q. So far then as you know no answer has ever been returned?—A. No answer has been returned.

Q. Was that the occasion of the strike, the fact that the proposition received no response?—A. That was the occasion, sir. We received no response; we told them the course we would pursue.

Q. Did you say in that paper that you would strike?—A. I believe it was stated in that paper.

Q. What I want to get at is, whether it was a proposal in regard to wages, or whether it was a notification of the committee that if they did not pay those wages the men would strike?—A. It was a proposal to treat in the matter of wages, wishing a conference.

Q. Does it say if those wages are not adopted they will strike?—A. No, sir; they do not say they will strike. They asked for a reply by September 5.

Q. So then you are certain there was no threat to strike accompanying it?—A. Yes, sir.

Q. It was a proposition then for a discussion between the men and the companies?—A. Yes, sir.

Q. And the companies, so far as you know or are informed, paid no attention to it, and you say that occasioned the strike?—A. That was the occasion, certainly, and the condition of the people.

Q. The men felt that they were underpaid and they were willing to treat with the companies for better terms?—A. They thought to get them.

Q. They did not contemplate by that document a strike; they contemplated a reply and negotiations and that sort of thing, is not that your position?—A. Yes, sir.

Q. So having received no reply, they struck. Now you say receiving no reply to their proposal for a conference and the condition of the people led to a strike?—A. Yes, sir.

Q. Now, in regard to the condition of the people, are you familiar with it?—A. Somewhat; yes, sir.

Q. What do you mean by their condition?—A. I mean their condition was almost unbearable.

Q. In what respect, in their homes and manner of living?—A. In eir homes and manner of living. They have been forced to subsist pon what really they could not subsist on for any length of time.

Q. Tell me what proportion of these men are married and have fami- es?—A. I should say and suppose that 80 per cent. of them, these iners, are married and have families.

Q. Now you say their condition was almost unbearable, in what re- ect, clothing, food, houses?—A. Their clothing, food, and houses were lmost unbearable. Well, I shall describe my own condition, how will at do?

Q. Well, you look pretty rosy and fat, and a pretty good-looking fel- ow?—A. Well, it is said that the miners are pretty hardy. Now, in e first place, it is supposed that the miner is a terrible drinker; that e drinks a good deal. Now, I want to say, I am only one of many in is region who have never been intoxicated in their lives. I want to y that I worked hard, and I have stopped work only when the com- any suspended, and even while they were suspended, at times, I went to prepare for the day they would work, and get coal loose and ready load as many cars as I possibly could. I have been in debt at the mpany's store from the month of April—I believe that was the date— ntil the following October or November; worked whenever I could nd as hard as I could. There is many a miner that goes to bed at ight that can not get the food required to bear the terrible strain, it is ch very hard work. I worked from April to October and I was in ebt at the company's store. I could not make a living, and I only had wife and one child. I was so poor sir, that I had to take the empty owder kegs in order that my wife could get yeast to bake bread with. hen she went to the store and asked for a calico dress it was refused r. Certainly there was nobody felt it like myself, when I took a wife, lieving I was man enough to support her, and I was in such a condi- on of affairs that I could not get a cheap calico dress on account of e poor wages I received from the operator; and I did my duty in every ay to earn it. And I know of men that used to come to me for con- lation and ask me to figure out how much they had for this week and at. There was a man that worked very hard continuously for a little er five years, and he never drew a dollar. It is only he drew $5 at e end of the five years and came to me and told me of it, and the old ntleman was almost crying with joy that he had received $5 on that casion. He had come all the way from Germany to work in America. knew his work. He was not the best miner, but a man you might say as up to the average.

Q. Was he a man of good habits?—A. He was a man, I understand, f pretty good habits. I have known him to work all the week putting p heavy timber, loading coal, and throwing rocks to one side. He ame to me that week to balance his account, and I found he was 5 ents in debt.

Q. How much did he get?—A. Well, the company did not pay him r moving rocks to one side. This mine had a bad roof, and it kept lling, and he tried to fix it and he failed, and the whole came through. ey refused to allow him anything for his heavy work of removing e rock and the delay in the removal of this rock, and having a laborer h him, he must pay that laborer, of course, first, and he owed the orer at the end of the week 5 cents.

Q. Let me ask you, this work you describe, this old German was at, clearing away things so he could mine?—A. He was mining.

Q. Did the company pay him ?—A. He was upon his breast, and the top gave way and the breast fell through; then he had to go to work and clean the wreck away.

Q. Did not the company pay for getting the wreck away ?—A. Nobody could mine until the wreck was got away. If that man had gone out of that mine the company would have had to take it away, or somebody would.

Q. Do you mean to tell me that man was working a week clearing up a wreck caused by an accident, had to pay a laborer, and receive no pay ?—A. He mined some coal.

Q. How many days was he ?—A. I can not say; you can judge of the amount of wages; the laborer's wages, I believe, were $10.72 per week, and then he paid for powder, and I believe he was 5 cents short after paying the laborer there; he might have been close on to $15 when you take into account powder, oil, cotton, etc.

Q. The wages he paid his laborer, his usual supplies, his powder, and things of that kind, and then he did not do work enough after he cleared this wreck away to pay his laborer within 5 cents ?—A. Yes, sir.

Q. Now, if you please, we will return to your case for a minute. Will you tell me, if you please, when did you quit mining ?—A. I think it was in December, 1886, I took my seat in the legislature.

Q. Will you tell me about what your average earnings have been for the year before you quit ?—A. Well, my average earnings, I believe, were about $30 a month.

Q. You mean actual cash ?—A. Yes, sir; actual earnings.

Q. That was for yourself and your family ?—A. Yes, sir.

Q. For house rent, food, and clothing. That you mean was for your expenses, and you say you always worked when you had a chance to work ?—A. Yes, sir.

Q. Now, have you any idea of what the average earnings of miners would be. I mean of miners; you are speaking of your earnings as a miner; have you any idea of what the average earnings of miners are and have been up to the time of this strike ?—A. I believe the average earnings of miners would not be over $30 month. I honestly believe that.

Q. Then there is house rent, there is clothing, there is food, and if they have children, school tax; do you pay any tax ?—A. Yes, sir.

Q. This is done by the company, is it not ?—A. Yes, sir; taken by the collector in the office.

Q. What is the tax on schooling, as you understand it ?—A. Well, in Butler Township, I paid $1.95 tax.

Q. Is that a tax ?—A. That is the tax I paid for one year. The next year I paid $2.13; somewhere around that.

Q. That was not assessed upon property, but upon you because you were a man and a miner, and that is the law of Pennsylvania ?—A. Yes, sir.

Q. That comes out. Is that kept back by the company and paid by them ?—A. Yes, sir; the company would get 2 per cent. of collections in that way.

Q. Do they make 2 per cent. ?—A. Yes, sir; that is, the law allows the collector 5 per cent. for the collection of taxes, and the company collects for the collector and takes 2 per cent. and the collector gets 3 per cent.

Q. They are in partnership, then. Now, are you certain that these companies generally do that ?—A. I am told by the tax collector that he was collecting taxes through the companies in that way.

Q. Then they save this 2 per cent. of that amount and keep it for emselves, is that true?—A. I understand these companies get 2 per nt.

Q. That tax is taken out of the miner's wages, I understand. Is the iner ever consulted as to whether the taxes should be taken out or ot?—A. I believe that has been a special act of the legislature in rerd to Hazelton, Carbon, and I think Lackawanna County; that is, they low operators and coal companies to retain taxes from the miners' y.

Q. They do not give you the choice of going to jail; you have got to y now?—A. Yes, sir. This law was passed before I came here; I not remember exactly the language.

Q. Now, what else is retained by the companies out of the miner's ages?—A. They retain rent; they retain your coal, I understand, in e Upper Lehigh, at least; whether you use a ton of coal or not, it is tained from you monthly and you must pay.

Q. Is that general through this region?—A. I could not say as being neral.

Q. What do you mean by the Upper Lehigh; what mines?—A. They erate one mine or two mines there; they have worked seven slopes, rather they have got the seventh sunk now.

Q. How many men do they work there?—A. I should judge they ive something like 600 or 700 men.

Q. Do you mean to tell me they charge a man with a ton of coal hether he uses it or not?—A. They keep that coal away whether you e it or not.

Q. How much do they charge you?—A. I think $1.80 for chestnut id $2.10 for stove. I believe that is the price to the miners.

Q. Whether you use the coal or not, you are charged for it?—A. Yes, r.

Q. It is part of his business; he must use 12 tons a year?—A. Yes, r.

Q. This is not done, though, generally?—A. I could not say as to nerally.

Q. Is it general anywhere around here that you know?—A. I would t speak for any other place than where I am positively sure of it.

Q. Did you work there?—A. Yes, sir.

Q. They did that at this place where you worked?—A. Yes, sir.

Q. And I understand that all you got was $30?—A. Yes, sir.

Q. Do they retain anything for a doctor?—A. Yes, sir; 50 cents a onth for a single man, and 75 cents for a married man.

Q. Do other mines do that?—A. Yes, sir; I understand that.

Q. You never personally had much use for a doctor?—A. No, sir; t personally.

Q. Are there plenty of doctors through this country?—A. Quite a umber of them.

Q. Are the doctors not connected with the mines?—A. I believe ere are one or two, I am told, that are connected with the mines.

Q. Who selects the doctor, the miners or the company?—A. I believe is the company.

Q. You have no choice as to the doctor to attend yourself and famy?—A. No, sir; not in the Upper Lehigh.

Q. Is that general among the operators?—A. Yes, sir; I believe it is.

Q. Suppose your wife liked one doctor and the company another, ow then?—A. Well, I have known a doctor to come to your house and otify you that he was the doctor of that town and nobody else.

Q. Well, the miners then do not select the doctor, the operators select them; and in the mines such as you speak of, only employing 600 or 700 men, each miner pays 50 to 75 cents to the company for that doctor?—A. Yes, sir.

Q. Does the company pay it to the doctor; do you know of that?—A. I do not know that they do not. I heard they didn't.

Q. Do laborers pay the doctor, too?—A. Yes, sir; everybody employed in and about the mine pay the doctor.

Q. Do they all pay the same sum, 50 and 75 cents, without regard to the amount of wages?—A. Yes, sir.

Q. Well, say a man getting $7 a week, will he pay as much for a doctor as a man getting $10?—A. Yes, if they are both single.

Q. And the same if they are both married?—A. Yes, sir. Remember, judge, if there are six boys in a family and these six working, the father of that family would pay 75 cents and the six single boys 50 cents each. There is no reduction in the size of a family.

Q. If they are under age?—A. It makes no difference.

Q. So if a man had six boys under age at work he would pay 75 cents as the head of the family and each of the boys would pay 50 cents as a single man and workman?—A. Yes, sir.

Q. Let us be certain; is that system general through this Lehigh district?—A. Yes, sir; that system is general as far as I am aware.

Q. You are well acquainted with the miners all through the district, and I suppose you know their feelings; how do the miners like this; do they approve of it, or do they not approve of it?—A. They do not approve of it; no, sir. They would like to have a choice of their doctor.

Q. Why do they not have a choice of their doctor?—A. Simply because they would have to go somewhere else; they could not have it under these coal companies. Not until they are powerful enough to enforce their choice.

Q. I suppose any miner could, by paying it out of his own pocket, could get any doctor he pleases, but if he did that he would still have to pay his tax?—A. Yes, sir.

Q. Colonel Stone suggests to me, why do the mining companies do this? What do they want a doctor for? What reason is given for it? I would like to know what you understand about it. We will ask some operators themselves to give us their version of it. What is your idea and the miners in regard to it?—A. Well, I may put it in this way: That the poor miner is very near always in debt, and if he had to depend upon any doctor he would have to pay cash, and very likely he would give that to some other man. They think it is a favor to the miner.

Q. Who is he in debt to?—A. To this same company.

Q. What about the furniture of the houses, of the miners' home; in what degree of comfort are they generally furnished?—A Some of they them are very poorly furnished, almost miserably.

Q. How much percentage?—A. Oh, a half.

Q. Whose fault is that, the miners' fault or somebody else?—A. The fault of the system under which they are working, I take it.

Q. What causes that; is it because they have not the means to furnish them or because they have not the taste to furnish them?—A. On account of the means of the miners. Since I have been around among the miners, I have found they are just about as tasty as anybody else.

Q. Like other human beings?—A. Yes, sir.

Q. You said something about drinking; how is it about that; is ther a great deal of drinking among them?—A. I do not see a great deal; I see some drinking among them.

Q. I have not seen any for the last ten days during this trip among the men, but you say they drink some?—A. Some of them.

Q. How do they average about that with other men in regard to drinking; do they drink more than most men or about the average?—A. I think they drink less than other men.

Q. They can not drink when they are under ground?—A. They don't.

Q. How long are they under ground every day?—A. They are generally under ground eight, nine, and ten hours.

Q. What time do they go under ground generally?—A. Generally at 7 in the morning.

Q. What time do they come out?—A. Generally at 5 and 6 in the evening.

Q. I think they said down in the Reading system, the Schuylkill system, that they did not work night-shifts in this country in these mines, at least down there. Do they do that here?—A. There are certain night shifts in almost every mine; there are some things done at night that can not be done in the day.

Q. The breakers do not run at night?—A. No, sir.

Q. They do not anywhere over this anthracite region?—A. Not that I know of.

Q. This man goes down at 7 in the morning, and, ordinarily, how long do they stay under ground at work?—A. I think probably 75 per cent. would remain under ground from nine to nine and a half hours.

Q. Do they carry their lunch down with them?—A. Yes, sir.

Q. They do not come to the top to lunch or dinner; they stay continuously from the morning until they come out in the evening?—A. Yes, sir.

Q. During that time they have very little opportunity to go to a saloon; I presume they have got no saloons down under ground?—A. No, sir.

Q. When the men come at night, where do they go to generally?—A. They go home, take a good bath, and look around for a good supper. After that the majority of them stay at home.

Q. By the time they have got washed up it is about 7 or 8 o'clock?—A. Some where around there if they have got some distance to go.

Q. It takes some time to get this coal dust off?—A. If he gets good soap and hot water and plenty of it, not so long.

Q. You say as a rule they are at home in the evening, and you think that the great majority of them have very poorly furnished houses?—A. Yes, sir.

Q. Well, those who have better furnished houses, is it because they make more, or because they are more economical, or is it because they are men with a great deal of taste; you know what I mean?—A. Yes; certainly men who have better furnished homes are men who make more and their wives are economical; but in the greatest number of cases, economy would not have helped them much to furnish the homes.

Q. But you think the greater number of them, the difficulty is that they do not get wages enough; that it is not lack of economy?—A. No, sir.

Q. Now, in regard to living, in regard to food, are they well fed. You spoke of their not being properly fed; how in regard to that?—A. They are not fed as well as they would like to be, certainly. Generally their bill of fare is for supper, which is the principal meal during the week. In the morning they get up and have a few fried potatoes, a little bread and butter, and if there is any meat left of last night's supper, they have that. This supper in the evening is the miner's meal.

Q. They do not as a rule cook meat before going to work?—A. Yes, if they have a little spare meat they would cook it, such as a little ham.

Q. You say their great meal is when they come back from work; what is that meal usually?—A. Potatoes boiled, and if they have got a little steak, they will have a little steak and if not, it is ham, bread and butter, tea, sugar, coffee.

Q. What about the quantity of it, do they have that sufficiently for their work and their families. Is it liberal in quantity or are they forced to economize?—A. I found it ran short for us; I had to economize.

Q. You did not get as much as you wanted?—A. Sometimes I did not get as much as I wanted.

Q. Was that the case with others?—A. They tell me, yes.

Q. You were speaking of house rents; whom do the men rent from generally?—A. The general superintendent.

Q. Does the superintendent own them or represent the company who owns them?—A. The company owns them.

Q. What kind of houses have they?—A. They are generally poor.

Q. Of what material are they made?—A. Pine, poplar, wood.

Q. How large houses are they; what would be the size of the average houses. I judge from looking that the houses were built, a great many of them, very much like one another?—A. I believe they stand generally two rooms down stairs and two rooms upstairs, and there is a little shanty in the rear.

Q. Then they generally have four rooms without regard to the size of the family; that is about the number of rooms they have?—A. Yes, sir.

Q. How are these houses constructed, are they water-tight and are they warm?—A. Not very water-tight or very warm.

Q. The winters in this region are pretty severe sometimes?—A. Yes, sir.

Q. How cold is the greatest cold you know of here?—A. I believe we had it 12 below zero this winter.

Q. Were you here?—A. No, sir; I was in Pittsburgh at the time.

Q. It is pretty cold here?—A. Yes, sir.

Q. About what would the thermometer average here in the winter in the cold months; it goes below freezing, of course?—A. Yes, sir.

Q. How near to zero?—A. I could hardly answer that, as I have never watched the thermometer.

Q. Twelve degrees below zero was exceptional weather; it does not often go below zero?—A. I believe it touches zero.

Q. But not very long?—A. No, sir; I could not give an estimate.

Q. You had plenty of snow here and ice?—A. Yes, sir.

Q. Now, you say the houses are not very tight and warm?—A. No, sir.

Q. This district is pretty well up in the east, this anthracite district?—A. Yes, sir.

Q. And the winds have pretty good play through here in the winter more than summer.—A. Yes, sir.

Q. And these houses, ordinary houses for a family, such as you have described, what rent do they pay?—A. I paid $5.75 a month.

Q. Can you tell us what it is now?—A. I suppose the average would run $5 to $5.50.

Q. I suppose the land on which these houses stand is practically worth nothing. How much are the lots on which they stand, say a lot for each family?—A. I guess a lot for each family would average, judging by the one I had myself—I think it was 30 by about 80.

Q. Why do they make the lot so small; they have all out of doors here?—A. I could not say as to that.

Q Is that anywhere near the average; you must have observed the homes of other men?—A. I think that is about the average.

Q. Are not some larger?—A. It may be, some.

Q. Have they a garden spot where they can cultivate and raise something?—A. Yes, sir.

Q. How big are they?—A. Well, they vary. In Upper Lehigh you are not restricted as to the garden; you could go out from your house and take a garden.

Q. How about around here?—A. In regard to gardens around here, I think they are pretty near the same as in the Upper Lehigh.

Q. A man can have a garden spot almost anywhere?—A. I hear that.

Q. You did not farm much on 30 by 80?—A. I did not.

Q. You never had a garden spot?—A. Yes, sir; I suppose so.

Q. Was anything charged for the garden spot; did they charge anything extra for that?—A. No; sir.

Q. Will you tell me about what is the average cost of one of these houses; they are built of pine and plastered inside?—A. Yes; sir.

Q. About what would be the average cost in this country?—A. I have been informed that they have generally been let by contract. I was informed by a person that they were built, many of them have been built, at $500 apiece.

Q. Do they cost as much as that?—A. Yes; sir.

Q. How is the lumber; it is brought in from the West and North; is it high here?—A. I suppose it is reasonable; I could not say exactly what it is.

Q. These houses are not built with the best quality of lumber?—A. No, sir.

Q. You understand that they are about $500 apiece?—A. You will understand they are double blocks, two families in one block.

Q. You mean to say they cost $1,000 for the two?—A. They cost $500 for the one.

Q. And the rent would then be something over—— A. (Interrupting.) $11.50 for both houses on one block.

Q. And the ground around here is not high price?—A. That is thrown in with the $5.75.

Q. Now we were talking about living; you say that you think at the end of the month when the taxes are taken out and the doctor's bill and the rent and the coal bill, it would leave about $30 a month for food and clothes?—A. All of these are to be deducted from the $30.

Q. Then all that a man makes after his laborer is paid, mining expenses, would be about $30 a month; out of that comes house rent, his month's coal, his doctors' tax, his ready money that he pays in taxes, borough taxes or whatever you choose to call it; all these things come out of the $30?—A. Yes, sir; I found it so in my case.

Q. How general is that?—A. I suppose it is pretty general.

Q. Then what he has left goes for food and clothes for his family. About how much, in your calculation, does this man who made $30 have left for food and clothes?—A. My store bill for provisions, etc., seldom exceeded $15 a month. I had what was considered an economical wife and I tried to do the best I could. I generally made $15 a month and then when we had to get a pair of shoes it made our profit very small if we received any.

Q. Now you say $30 a month. Do you mean that that is the average—miners, laborer, and all classes of work?—A. I take it as the average miner.

Q. How will mining laborers come out; how will they average; have you an idea or thought of that?—A. Yes, sir; I find that in many cases the laborer is better off than the miner. I find that when the miner pays the laborer his wages he does not equal that laborer.

Q. How much do you think the laborer would average at the end of the month for himself?—A. I could hardly say how much a laborer would average, as I have not labored for seven years or somewhere thereabouts.

Q. Does a laborer, too, pay all these expenses—does he pay the same tax as the miner?—A. No; the laborer does not pay the same tax; he pays a somewhat less tax.

Q. How much do they pay—the laborers—how much tax?—A. I supposed I paid when I was laboring $1.70 or $1.75.

Q. Do you mean to tell me that boys under age pay this tax?—A. No, sir.

Q. They do not tax them?—A. No, sir.

Q. It is only men twenty-one years of age?—A. Yes, sir.

Q. I had supposed that that would be the case. Where do the miners purchase their supplies in this region?—A. The miners generally purchase from the company's stores.

Q. You say "company's stores;" you mean stores owned by the operators?—A. Yes, sir; stores owned by the operators.

Q. Is the store generally in the name of the operator?—A. Yes, sir; it generally goes on under the same title as the company is operating under.

Q. When you settle your accounts with the company for your wages, you settle your account at the store?—A. Yes, sir.

Q. How general is that; you mentioned those operators here through the region—how many have these stores?—A. As far as I am aware, all of them have. I do not know of any that I can bring to mind at the present time that have not got them.

Q. Have you any official position in the Knights of Labor in which it has been your duty to look into these matters of supply at the stores in the matter of wages?—A. I have been what is termed the statistician of our local assembly.

Q. What were your duties?—A. My duties were to find the prices paid for all kinds of work, the cost of supplies, etc.—everything pertaining to the interest of the miner and mining laborer. But, unfortunately, as I was statistician, the strike came on shortly afterwards, and the miners went out, and in this way I did not get a full report.

Q. There has been a falling off in the statistics?—A. Yes, sir.

Q. Have you any written data coming from the company in your possession which will illustrate the condition the miner is in when he pays up his account at the store and receives his wages?—A. I have a few checks with me.

Q. If you have any produce them and let us look at them.—A. Before we go any further, judge, there is one thing, I want to make a little statement.

Q. Well, sir.—A. Please remember when a miner becomes a miner he is not a miner always; he is liable to labor again.

Q. Why?—A. Simply because there may be a grudge against him. He may have refused to comply with some things that the parties would like to have him comply with, and he would be reduced then to a laborer's position. The case has happened with me, and that is why I told you I paid one year a laborer's tax.

Q. Tell me about those things you have before you.—A. I want to make a statement in regard to the doctor's fee. You will remember that that is 75 cents for a married man, and in case of a birth he pays the doctor $5 to $8 extra.

Q. You say in addition to this 75 cents a month that if a birth happens in a family he has to pay that extra?—A. Yes, sir.

Q. How does he pay that; does the company pay it?—A. It is retained from his wages if he can not pay it himself.

Q. I suppose there are a good many children born to these miners?—A. A great many. I want to say that while the outside laborer in 1871 received $11 that this same laborer inside at present, as well as outside, are working as low as 90 cents to $1.20.

Q. Do you mean now?—A. I mean before the strike.

Q. If you have finished with this explanation you can explain these checks.—A. Yes, sir.

Q. Let it be full, and please tell me what these are.—A. The company keeps a semi-monthly account since the legislature passed a law providing for two weeks' pay. They now make semi monthly payments. There is a day set apart, what is known as pay-day, twice a month previous to the strike, and you go to the company's office, and then what is known as pay-checks are handed out with the money, if you receive any money. There [referring to one of the checks] you see a statement of the number of cars for the miner and the laborer, and the number of days' work.

Q. This is given to the men with exactly the amount of their pay?—A. Yes, sir.

Q. If any money is coming?—A. Yes, sir.

Q. Now, go on and explain. How many of those have you there and what mines are they from, the Coxe Bros.?—A. Here is G. B. Markle & Co., Blackridge colliery, Hazel Brooke, Jeddo.

Q. Can you let us have some of these?—A. I could let you have them all.

Q. Here is one, "O'Donald, James, in account with G. B. Markle & Co.;" they are mine operators?—A. Yes, sir.

Q. Was Mr. James O'Donald a miner or workman?—A. He was a laborer.

Q. Now, then, just read that account and explain it.—A. This laborer worked one hundred and thirteen hours.

Q. In that two weeks?—A. Yes, sir.

Q. How much was he paid?—A. It appears he worked nine hours a day and his pay was $19.91. I find he was charged for the month previous with $30.41.

Q. That is the debt that came over?—A. Yes, sir. His rent this month was $3.15, and $30.41 and $3.15 would be $33.56 total indebtedness. I find he is $3.26 indebted.

Q. And his account at the store?—A. Merchandise $19.49, making a total indebtedness of $22.75.

Q. How much will he have to pay?—A. Leaving an indebtedness of $22.75.

Q. From what mines were these?—A. They were handed to me by a party interested in this matter, and they come from different places.

EXHIBIT 54.

JEDDO, PA., *Aug.* 15, 1887.

Mr. O'Donald, James, in acc't with G. B. Markle & Co.

By balance		
" wagons		
" yards		
" 113 hours, 9.2	0	$10.39
Mooy	L.	19.91
To balance	$30.41	30.30
" powder		
" smith		
" labor		
" labor		
"		
" teams		
" rent	3.15	
" coal		
		33.56
Balance		3.26
By board		
Amount	19.49	
To merchandise		
" board		
" doctor		
		19.49
		22.75

JEDDO, PA., *Mch.* 31, 1887.

Mr. O'Donell, James, in acc't with G. B. Markle & Co.

By balance		
" wagons		
" yards		
" 205 hours, 9.2	0^2	$18.86
Moov	L.	33.60
To balance	$52.29	52.46
" powder		
" smith		
" labor		
" labor		
"		
" team, 75	.75	
" rent	3.15	
" coal	1.50	
		57.69
Balance		5.23
By board		
Amount		
To merchandise	34.46	
" board		
" doctor		
		34.46
		39.69

JEDDO, PA., *July* 31, 1887.

Mr. Gillaspi, John. 1st, in acc't with G. B. Markle & Co.

By balance		
" 85¾ wagons, 88	0'	$75.46
" 10 yards, 158	0'	15.80
" hours		
	L.	
To balance		91.26
" powder	$8.10	
" smith	.50	
" labor	41.33	
" labor		
"		
" team, 75, 75	1.50	
" rent	3.65	
" coal	1.50	
		56.58
Balance		34.68
By board		
Amount		
To merchandise	23.34	
" board		
" doctor	.75	
	pr .50	
		24.59
		10.09

JEDDO, PA., *July* 31, 1887.

Mr. O'Donald, James, in acc't with G. B. Markle & Co.

By balance		
" wagons		
" yards		
" 198 hours, 9.2	0	$18.21
Mooy	L.	29.96
To balance	$43.37	48.17
" powder		
" smith		
" labor		
" labor		
"		
" team, 75	.75	
" rent	3.15	
" coal	1.50	
		48.77
Balance		.60
By board		
Amount		
To merchandise	29.81	
" board		
" doctor		
		29.81
		30.41

JEDDO, PA., *July* 31, 1887.

Mr. Schraun, Peter, in account with G. B. Markle & Co.

By balance			
12c ext	0²		$8.37
" 69½ wagons, 1.17	0²		81.61
" yards			
" hours			
	L.		
To balance			89.98
" powder		$5.40	
" smith		.50	
" labor		42.04	
" labor			
"			
" team, 75		.75	
" rent		2.50	
		1.50	
			52.69
Balance			37.29
By board			
Amount			
To merchandise		24.69	
" board			
" doctor		.75	
" butcher			
			25.44
			11.85

No. ——.

BLACK RIDGE, PA., *May*, 1887.

Vrabel, John, in account with Black Ridge Coal Co.

By 2 cars, ½ of	No.		$0.81
" " "	"		
" yards	"		
" "	"		
" labor	"		
" "	"		
" hours	"		
" "	"		
" Board	"		
To balance			
" powder			
" oil, etc			
" smith			
" labor			
" rent			
" coal			
" team			
" mine supplies			
" store		$3.75	
" board			
" doctor			
		3.75	
		.81	
Balance			2.94

No. ——.

HAZLE BROOK, PA., *Aug.*, 1887.

Metrissen, Geo., in account with J. S. Wentz & Co.

By 49½ cars, ½ of	No		$15.94
" "	"		
" yards	"		
" "	"		
" labor	"		
" "	"		
" hours	"		
" "	"		
"	"		
Board	"		
To balance		$2.24	
" powder		4.12	
" oil, etc			
" smith			
" labor			
" rent			
" coal		1.90	
" team			
" mine supplies		1.07	
" store		8.06	
" board			
" doctor			
" priest			
		17.39	
		15.94	
Balance			1.45

No. ——.

HAZLE BROOK, PA., *Aug.*, 1887.

Metrisen, Geo., in account with J. S. Wentz & Co.

By 58½ cars, ½ of	No.		$18.57
" "	"		
" yards	"		
" "	"		
" labor	"		
"	"		
" hours	"		
" "	"		
" "	"		
Board			
To balance			
" powder		$4.12	
" oil, etc			
" smith			
" labor			
" rent		4.00	
" coal			
" team			
" mine supplies		1.82	
" store		11.05	
" board			
" doctor			
" priest			
" butcher			
" shoemaker			
		20.99	
		18.75	
Balance			2.24

No. ——.

HAZLE BROOK, PA., *July*, 1887.

Metrisen, G., in account with J. S. Wentz & Co.

By 70 cars, ⅛ of	No.		$22.54
" "	"		
" yards	"		
" "	"		
" labor	"		
" "	"		
" hours	"		
" "	"		
" "	"		
Board			
To balance			22.54
" powder		$4.12	
" oil, etc			
" smith			
" labor			
" rent		2.00	
" coal		.95	
" team			
" mine supplies		1.60	
" store		11.47	
" board			
" doctor		.75	
" priest			
" butcher			
" shoemaker			
			20.89
Balance			1.65

No. ——.

HAZLE BROOK, PA., *Aug.*, 1887.

Evans, John, in account with J. S. Wentz Co.

By cars	No.		
" "	"		
" yards	"		
" "	"		
" labor	"		
" "	"		
" 130 hours	"		$2[illegible]
" 10 "	"		[illegible]
" "	"		
Board			
To balance			[illegible]
" powder			
" oil, etc			
" smith			
" labor			
" rent		$4.00	
" coal			
" team			
" mine supplies			
" store		7.23	
" board			
" doctor			
" priest			
" butcher			
" shoemaker			
		11.23	
Balance			[illegible]

No. ——.

HAZLE BROOKE, PA., *Sept.*, 1887.

Evans, John, in account with J. S. Wentz & Co.

By cars	No.		
" "	"		
" yards	"		
" "	"		
" labor	"		
" "	"		
" 75 hours	"		$12.05
" "	"		
" "	"		
Board	"		
To balance			
" powder			
" oil, etc			
" smith			
" labor			
" rent		$4.00	
" coal		1.90	
" team			
" mine supplies			
" store		4.25	
" board			
" doctor		.50	
" priest			
		10.65	
Balance			1.40

No. 64.
Rl. C Slope.

Poppick, Thos., in account with Coxe Bro & Co.

For month of Sept. 1-15, 1887.

GOWEN COLLIERY.

Cr. By			
Cars	at		
"	"		
Yards	"		
"	"		
"	"		
"	"		
70 hours	"	6.90	8.0
"	"		
"	"		
Dr. to			
Balance			
Powder, oil, etc			
Labor			
Rent		3.00	
			3.00
balance enclosed			$5.05

ELE BROOK, PA., Aug. 15, 1887.

in account with J. S. Wentz & Co.

	No.	
	"	
	"	
	"	
	"	
	"	
	"	22.11
	"	
	"	
rd		

	1.90	
	8.81	
	75	
	2.46	
	13.92	
		8.19

---

in account with Coxe Brothers & Co.

nth of Nov 1-15, 1887.

RINGER COLLIERY.

	at		$
	"		
	"		
	"		
	"	5.10	3.60
	"		
	"		
	"		
	"		

&c	
ce enclosed	$3.60

Roll 27.
No. C Slope.

Rossi, Richd., in account with Coxe Brothers & Co.

For month of Nov. 16-30, 1887.

DERINGER COLLIERY.

Cr.			
By 26 cars	at	.19	$4.94
" "	"		
" yards	"		
" "	"		
" 90 hours	"	10.37	15.55
" "	"		
" "	"		
" "	"		
" board	"		
Dr.			
To balance			
" powder, oil, &c			
" labor			
" rent			
" mining		.86	
"			
"			
			.86
balance enclosed			$19.63

F No. 378.

M. Richard Rossie, bought of Coxe Bros. & Co.

(Gowen Store.)

On 12--15, 1887.

To mdse	$3.90

GOWEN STORE.
Dec. 15, 1887.
3 90
J. E. Turnbach.

$

Q. I will ask you, from your experience and observation, are the miners in or out of debt at these company stores generally?—A. I find a great many of them in debt. Of course, quite a number are out of debt. I will tell you how a great many of them keep out of debt. A great many of them, regardless of the threats and intimidation on the part of the operator, would deal in an independent store in Freeland.

Q. Why do they not deal at other stores and pay the money?—A. They do do that as soon as they are able.

Q. What do you mean by that?—A. As soon as they get out of debt at the company's store.

Q. Suppose I commence mining to-day; I do not owe the store anything, and I work and get my pay; what is to prevent my dealing with a store other than the company's?—A. I suppose you might.

Q. Suppose I commenced to trade somewhere else?—A. It would be so much the better for you.

Q. Would the company take exception to that; would there be any difference in treatment; in other words, is any force used on the part of the company to make men trade with them instead of somewhere else?—A. I think some men have been forced to trade with the company stores.

Q. How were they forced; is there any difficulty in getting credit elsewhere, and do they offer credit? How general is it that they are forced to deal with the store?—A. To go out of a company store you certainly, in many instances, require cash to start with an individual store-keeper to prove your honesty; they will hardly give you credit. In many cases he will give you credit, provided he knows anything of you. I have known men to desire to go into individual stores and leave the company stores, but were prevented from going on account of not being able to obtain credit and not having cash to start with. I received, myself, credit on sight, although at the time I was in debt at the company's store; but I made an honest statement to the store-keeper, and told him if he could do anything for me I would keep him safe. I gave him my custom and finally I got a clear statement. I continued to deal with this man in Freeland.

Q. How many people among the miners do as you did, go out of the company stores and go to others?—A. At the present time I believe there are one-half now out of the company stores.

Q. Then they are not discharged by the company for dealing elsewhere?—A. They are getting too numerous to be discharged; that is not the only way from preventing a man from doing what he pleases.

Q. Tell us about that.—A. The miner who tries to be somewhat independent, does what he thinks is right, they can discriminate against in this way; he may be given a breast that is somewhat harder than other breasts, an unusually hard breast, and by getting in there he could hardly make a living, and certainly he was not able to get cash and pay a bill to the other store. That was one way of forcing him into the company's store; because he would become indebted to the company and he would have to appeal to them for food.

Q. Any other way?—A. That is about the way.

Q. Now you say you think about half of the men have gotten out of the company's stores and deal elsewhere?—A. I do not say that I think this is general, but where I am acquainted. On our side there, in the Upper Lehigh, I believe half of them are out of the company's stores.

Q. Then that half are out of debt to the company's stores?—A. Yes, sir.

Q. Will you tell me how the prices of food and clothing in the com ny's stores compare with the prices of other dealers?—A. I have de inquiry concerning that matter, and I have been informed by par-s who seem to know the case thoroughly, and they claim that com-ny-store goods are from 10 to 20 per cent. advance over the goods d by individual store-keepers.

Q. Give us your own experience; you have traded with dealers in Free-ld?—A. My own experience, I believe, would justify me in saying they 10 per cent. higher than individual store-keepers.

Q. Do you know under what system the operators through here lease the miners; what the character of the leases are or have been?—A. asing houses?

Q. Yes, sir. -A. Well, there are a great number of leases as far as an learn. We used to have one in the Upper Lehigh. I do not ow whether they are signed at the present time or not. I may say a long time when you signed a lease for a house you also signed a iver.

Q. Do you know—but I understand a gentleman will be here to ex-un that. Have you read one of them?—A. I have read one.

Q. Do you know how general they are?—A. The one I read has been one colliery; one of G. B. Markle's collieries.

Q. Have there been any evictions?—A. Yes, sir; I believe there have en.

Q. Through this region?—A. Yes, sir.

Q. When?—A. I can not give the date.

Q. I mean recently; within a few months.—A. About a month or so o Mr. Pardee evicted five or six.

Q. You say five or six; are there any more you know of?—A. I do t know of any personally.

Q. Will you tell me in regard to the people who work here, whether ey are really residents here or transient people?—A. They are gen-illy residents.

Q. How many of them do you think were born here; have you any a on that subject?—A. I could not estimate the number of those rn here, but I believe they are in the majority.

Q. Are the majority of the miners naturalized citizens and native-rn citizens?—A. The majority of them are citizens.

Q. Are many people working here who have not declared their inten-n of taking out naturalization papers?—A. Yes, a great number of em.

Q. Who are they?—A. Principally Hungarians, Italians, and Poles.

Q. We have a great number of Poles and they get out naturalization pers as quick as they can, but Hungarians and Italians, you think, not declare their intentions?—A. As a rule they do not.

Q. The remainder of the population are full citizens?—A. Yes, sir.

Q. So far as you can judge, how long have the majority of them lived re? I want to get at the fact whether this is the real home, in the nse we use the term, of a majority of the miners, and for what num-r it is a home. I mean in the sense of home as my friend's home here Missouri, and the judge's is in New York; whether they are bona fide d residents, and if it is home where they have their friends and fami-and all that. Now, how long do you think they generally live here? have been here since you were a boy; where were you born?—A. he State of Maryland.

At what age did you come into the State of Pennsylvania?—A. ue into Pennsylvania—my family moved into Luzerne County in

Q. You were a small boy?—A. Yes, sir.

Q. This has been practically your home since?—A. We moved to Schuylkill.

Q. This has been your home since?—A. Yes, sir; since 1869.

Q. Now, then, in regard to the majority of these people having local attachment, the majority of these miners?—A. Yes, I believe the majority of the miners consider this to be their home.

Q. I believe Hungarians generally go back home; they are like Chinese in that respect. They make their money and go home and do not become citizens, but they are not a large portion of the miners?—A. Not an exceedingly large portion.

Q. What nationality are a majority of those who really live here and their homes are here; you say there are about 20,000, what nationalties would the majority be?—A. I think the majority of the coal-miners in the Lehigh region are Irish.

Q. By birth or descent?—A. By birth and descent both, and there is a great number of Welsh, English, Germans, and Americans.

Q. There must be a great many of Irish descent born here?—A. Yes, a great many of them.

Q. I suppose these mines have been going on for a long time?—A. Yes, sir.

Q. Now, as to the acquirement of property among the miners of your region, don't they own their own homes; tell us about that?—A. There are a number of them who own their own homes, but the great majority of them live in company houses.

Q. You speak of tide-water; where does this coal go?—A. Port Johnson, Port Hoboken, and Elizabethport.

Q. You mean Hoboken outside of New York?—A. Yes, sir; that is the port, I believe.

Q. It goes through New Jersey, then, and strikes tide-water?—A. Yes, sir.

Q. Speaking of the Lehigh Coal and Navigation Company, what is the navigation; have they a canal?—A. I suppose they have. I could not say positively.

Q. They are coal producers?—A. Yes, sir.

Q. Can you give us any idea what it costs in this region to get out a ton of coal?—A. What it costs a miner?

Q. What it costs to get that ton of coal out of the mouth of the mine ready for shipment; that is, what it costs the operator, giving the items of expense, and do it in your own way.—A. That question I could not answer, for want of knowledge in the matter. Understand that the miner can very easily find that out by collecting statistics from each of the miners included in the organization.

Q. We have not found any miner yet who has been able to give us the information; it may be it is because they have not inquired about it.—A. I can give you the report of the committee of gentlemen who came from New York to investigate the prices of coal some years ago.

Q. How long ago was that?—A. I think it was in 1874 or thereabouts; I am not positive. There was a committee sent by the legislature of New York.

Q. You do not know whether the prices remained the same and all that?—A. I judge it is cheaper to-day than ever.

Q. Where is that report?—A. I have got the report in my pocket.

Q. Will you hand it to us and let us look it over; will you let us keep that during the day?—A. Yes, sir; you can keep it.

Q. Has there been any legislative inquiry and reports of either branch of the legislature of Pennsylvania on this subject; any investigation in the prices of coal and of the wages of the miners and the treatment of the miners and the general conduct of the mines; do you know anything of that kind of late years ?—A. I do not.

Q. Do you know of any official documents besides newspaper reports which would give any information on this subject?—A. I do not know of any, to my knowledge.

Q. I will ask you one more question and then turn you over to the other gentlemen. You say that the conference which you demanded in regard to these prices, the circular which you gave us here in the beginning, that in no instance was a conference demanded by an assembly of the Knights of Labor; it was always demanded by the employés of the representative mines, when that circular was sent in ?—A. That circular was sent in by the two organizations, the Knights of Labor and the Amalgamated Association. The Knights of Labor, district assembly 87, sent that document to the men of the Lehigh region.

Q. Will you tell me whether there was a strike ordered officially by any organization of Knights of Labor here?—A. Yes, sir; the strike was ordered by the officials of district assembly 87, Knights of Labor.

Q. And that was after there was no reply to this request for a conference ?—A. After the date expired when we requested an answer from them.

Q. Do you think that the other grievances besides that of wages, the grievances as to living and being in debt at the company's stores, and all that—in your judgment, is that condition of things the fault of the company or the men?—A. It is the fault of the company, I believe.

Q. Why? Because the companies do not pay enough ?—A. They do not pay enough.

Q. In regard to retaining the taxes, I understand you that the law of Pennsylvania requires the company to retain that head tax ?—A. I have been so informed in that respect: I could not say whether it is true or not.

Q. You have not read the law ?—A. No, sir; I could not say of my own knowledge.

Q. You do not know whether that law authorizes the company to retain the 2 per cent.?—A. I could not say.

By Mr. STONE:

Q. What you call the Lehigh region is embraced in what is denominated the fifth anthracite coal district ?—A. It is denominated the middle anthracite coal field; this is the fourth inspection district.

Q. Who is the inspector ?—A. James E. Roderick.

Q. What is the number of the inspection district ?—A. Four, I believe.

Q. Is the country you denominate the Lehigh region and the mines you have named as being in that region embraced in the fourth inspection district ?—A. I believe so.

Q. How will the number of men employed in 1887 compare with the number employed in 1886 ?—A. That I could not answer. I have not looked over the report lately. I have got the report, but haven't had time to look over it.

Q. Have you the report for 1887 ?—A. Yes, sir. I have not had time on account of the strike to do anything else. I have let private business go.

Q. Have you got that report here ?—A. I have got it at home. Being a representative, I have a number to distribute among the district.

Q. Could you let this committee have one of them?—A. Yes, sir; 1886 I guess it is, 1887 is hardly published.

Q. 1887 I have here.—A. 1887 is hardly published yet. 1887 being just closed, the report would hardly have time to be published.

Q. You have not a report then of last year, 1887?—A. No, sir; it is not out of press, I suppose.

Q. The report of the inspector made March 5, 1887, for the year 1886, shows there were employed in the fourth anthracite coal district during the year 14,140 inside and outside; was that about the same number employed in the mines at the time of this strike?—A. I could not say positively, but it has been expressed by the miners and operators in the public press since this strike has occurred, it was the opinion of both sides, that there were 20,000 men involved in this strike. It was so expressed by both in print, and I take that statement that it was 20,000.

Q. If that be true, then there was a very large increase in employés over the previous year?—A. Yes, sir.

Q. Is Mr. Roderick here?—A. I guess he is here.

Q. Do you know who owns the land in this district?—A. I could not tell.

Q. Do you know whether it is owned in any part by the operators themselves?—A. I have been so informed.

Q. Take Pardee & Co., do they own the lands they are mining?—A. It is so said they own them.

Q. Are these the largest operators in the regions?—A. I believe Mr. Coxe is the largest operator in the Lehigh regions.

Q. Does he own his lands or rent them?—A. They say he owns the lands.

Q. This is rumor?—A. Yes, sir; I could not say officially. I know nothing about it other than what is reported.

Q. The Lehigh Coal and Navigation Company, the Upper Lehigh Coal Company, J. C. Hayden & Co., Pardee, Sons & Co., J. H. Myers & Co., comprise the principal operators?—A. I believe they do.

Q. And you understand all these men own their lands?—A. I could not say as to whether they own them or do not. I have been informed that Mr. Coxe owns his lands; Pardee & Co. own their land, the Upper Lehigh Company own their land; J. C. Haydon & Co. own their land. It is all report; I could not say how true it was of my own knowledge.

Q. How long have Coxe Bros. & Co., been operating here?—A. They were operating before 1869. I went to work under Coxe in 1869, and then went down to Schuylkill and came back here.

Q. Are all these principal operators men of long standing here in the business?—A. I believe they are men of long standing.

Q. Do you know whether Coxe Bros. & Co. is a corporation or simply a partnership?—A. I could not say.

Q. A. Pardee & Co., do you know whether this is a partnership or corporation?—A. I could not say.

Q. How is the coal taken out from here?—A. By the Lehigh Valley Railroad and the Jersey Central Railroad.

Q. Then by these two roads the coal is shipped to market?—A. Yes, sir.

Q. Do you know who controls the Lehigh Valley Railroad?—A. No, sir.

Q. Do you know whether it is connected in any way with the Reading Railroad?—A. No, sir; I do not know.

Q. With the Pennsylvania Central?—A. I could not say.

Q. Do you know what company now has control of the Jersey Cenural?—A. I could not say exactly; no, sir; it is in the hands of the receivers, or it was in the hands of the receivers lately.

Q. Have these matters been the subject of any inquiry by the legislature of your State?—A. Not in the last session that I am aware of.

Q. Do you know whether these railroad companies are in any way connected with these operators other than that of mere carriers?—A. I do not know of their being connected in any other way.

Q. Your miners' wages are predicated upon the basis of $5 at tide-water?—A. Yes, sir.

Q. And you demand in this document of August 17, 1887, addressed to the presidents of the several corporations, coal exchanges, etc., that $4 per ton be made the basis instead of $5?—A. Yes, sir.

Q. In what point would that be an advantage to the employé?—A. From the simple fact that coal is supposed to be sold over $4 at all times. It is supposed not to go under that figure; hence, we would be paid the basis continually, while at the present time the operators claim that they never sell at $5, hence they pay us less than the basis.

Q. You propose to make $4 the minimum?—A. Yes, sir.

Q. And no sliding scale below that?—A. None below it.

Q. Now $5 is the basis?—A. Yes, sir.

Q. Is there a sliding scale below that?—A. Yes, sir.

Q. Your proposition, then, is to receive as much for the same work when coal is $4 per ton as you now receive when it is $5 per ton?—A. Yes, sir; according to our figuring.

Q. Making the $4 basis you are to have a sliding scale of 12½ per cent. for all above that up to $5?—A. I guess it is 10 per cent. (examines schedule); 12½ per cent. above that, sir, if it reaches $5.

Q. And then 25 per cent. for all it advances beyond $5?—A. Yes, sir.

Q. How much does the miner now receive on the basis of $5 at tide-water per week?—A. At the present time the miner receives $11.34, if I am correct.

Q. When coal sells at $5 at tide-water?—A. No, $12.60 at $5 at tide-water.

Q. Now, if $4 was the basis instead of $5 and coal was selling at $5 at tide-water, the miner makes how much more?—A. When coal was selling at $4 he would be getting 27 against 21; when coal was selling at $5, say coal advanced $1 up to $5, he would have a difference of 12½ per cent.

Q. The change would be 12½ per cent. above what he now gets?—A. Yes, sir.

Q. The basis of the Schuylkill region is upon $2.50 at Schuylkill Haven?—A. Yes, sir.

Q. Is it to the advantage of the miners there to have the basis higher or lower?—A. The advantage to the miner is to have the basis lower, I should think.

Q. It is to your advantage to have the basis lower?—A. Yes, sir.

Q. The lower the minimum basis the more you get out of the sliding scale?—A. Yes, sir.

Q. The purpose of the basis is to give you the advantage of the sliding scale?—A. Yes, sir; the advance on coal.

Q. Now, Judge Chipman asked you what it would cost per ton to the operator to deliver this coal at tide-water at $5. Take Coxe & Co., who sell coal at tide-water at $5 per ton, how much has that coal cost the operator?—A. After getting the coal on the car at the breaker?

Q. Well, he sells it at $5 per ton at tide-water. It has cost him a certain sum, and the difference between the cost price and the selling price is the profit to the operator. The selling price is $5; what is the cost price to him?—A. I understand the subject was exhibited according to that committee.

Q. What committee?—A. The committee from New York.

Q. Composed of whom?—A. Members of the New York legislature, I am informed.

Q. Did they come here to investigate?—A. Yes, sir; they found the minimum cost price was 93 cents and the maximum $1.13.

Q. At tide-water?—A. At the breaker; at the mine.

Q. How much, then, does it cost the operator to ship coal to tide-water, where it is sold for $5?—A. I am informed it costs $1.80 per ton. I have no authority for it, but I am informed so.

Q. The cost, then, to the operator would be $2.93, where the local cost was $1.13?—A. Yes, sir; so says the committee, as far I can learn.

Q. If that be true, then, the operator would make $2.07 per ton?—A. Yes, sir.

Q. Do you think the operator makes as much as $2 per ton on all the coal they ship out of this region?—A. No; I do not know about that. I would not say that they do, but I gave the matter some thought and if I have not failed in my calculation, as near as I could find out personally that their cost of putting a ton of coal in the car at the mine does not exceed $1.30. I would believe that, but I have no proof.

Q. And the freight would be $1.80?—A. I believe that could be put in the car for that.

Q. Let us get at that. Why do you believe so, since you have given the matter considerable thought?—A. Well, by taking the wages paid to the miner for a ton of coal.

Q. Well, how much is that?—A. At the present time they are loading a car containing 105 cubic feet of coal for 79 cents.

Q. How many tons are there in 105 cubic feet?—A. I should judge 2¼ to 2½ tons.

Q. How many cubic feet do you estimate to the ton?—A. I should estimate 35 cubic feet to a ton of broken coal.

Q. There has been considerable difference in information as to that. I see in this report some of these inspectors estimate it at 48?—A. Understand me; they had 48 feet, but you and everybody are aware that 48 cubic feet is more than a ton. The miners principally agreed, because they could not help themselves, to load 48 cubic feet to the ton, the operator saying that he would have 48 cubic feet, and that amount of clean coal on that car would be a load; that is, he would not have a ton of clean coal unless he had 48 cubic feet of coal in there, taking into consideration the dirt, etc.; but I claim that less than 48 cubic feet of coal would give a ton of clean coal.

Q. How much do you estimate coal as it comes from the mines ought to be allowed as a ton?—A. I suppose for the operators 40 to 42 cubic feet would be giving them a clean ton of coal; I believe so.

Q. Then you estimate in one of these cars there is somewhere in the neighborhood of 2½ tons of coal?—A. Yes, sir; I estimate that.

Q. Now go on with your calculation. They mine one of these cars containing 2½ tons of coal for how much?—A. For 79 cents a car, 105 cubic feet to the car.

Q. That is about 30 cents a ton?—A. Yes, sir; I suppose it would give that sum; it would be somewhere around there.

Q. A little over 30 cents a ton?—A. Somewhere about that.

Q. Very well, the miner then receives 31 cents per ton; do you confine that cost of 31 cents exclusively to the miner?—A. To the miner and mine laborer. Remember that the miner accepts the contract and out of his profits must pay his laborer.

Q. You mean that out of this 31 cents he must pay a laborer for assisting him in mining and loading that ton?—A. Yes, sir.

Q. Is it not usual for two miners to work together?—A. Not in this region; it is in the Schuylkill. In some places there they do.

Q. Then only a miner and mine laborer work together?—A. Yes, sir.

Q. Do I understand you to say that these two men receive between them 31 cents, or about that, per ton?—A. Yes, sir. You will understand me as saying that the miner receives 31 cents a ton, according to your figuring. He receives 79 cents for the car, and out of this 79 cents he pays a laborer. Every car that he loads, according to the experience I have had, costs 18 cents on the car for powder and expenditures. Now, in receiving that ton of coal for 31 cents, the miner is forced to purchase his powder from the company, and the price of that powder should be taken into consideration. It is supposed that the powder is bought for $1.25 a keg, 25 pounds to the keg, and the company sell it to the miners for $2.75.

Q. Then it makes over 100 per cent.?—A. The estimate is put at $1.25, and the miner pays $2.75 a keg.

Q. Now, it costs him 18 cents a car on your estimate. On that basis the operator would make about 9 cents per car on the powder?—A. Yes, sir; I should think so.

Q. Then you take from the 31 cents 9 cents, which is the profit made by the operator on the powder used in mining that ton of coal?—A. Yes, sir.

Q. That would reduce the net cost to the operator for the ton of coal to 22 cents?—A. Yes, sir.

Q. So far as the miner and his laborer are concerned?—A. Yes, sir.

Q. What are the other items of expense to the operator?—A. The other items of expense—there is another source of profit for the operator. I found while I was mining that one-fifth to one-tenth of my output was docked on top of the breaker. The company docked it claiming, as they would notify on their dockage paper, that there was too much dirt, too much slate, or light loading. These were the excuses given by the company. A man would send out a car or a wagon, and they would dock the whole car, and it cost three quarters or a half or a quarter more.

Q. You mean they would only allow you for a half of a car or a third of a car, and the rest was a dead loss?—A. Yes; that that was docked was a total loss.

Q. Was that docking fairly done?—A. No; it was not fairly done.

Q. Do you mean to say that you would send out a car-load of coal, and the whole car would be docked, and that the company would use the car containing coal and ship it to market?—A. Yes, sir.

Q. Can you give me an instance within your personal knowledge of that kind?—A. Oh, yes; I was always docked in my output; every month I was docked.

Q. Of a whole car?—A. Yes, sir, of a whole car; on many occasions I was put on the paper as a whole car.

Q. When would you be informed you were docked of that coal; at the time?—A. Every evening after the day.

Q. Did you complain about it?—A. Most assuredly; we struck about it on one occasion.

Q. If your statement is true it is absolutely stealing?—A. It is true.

Q. That you would send out a car of coal fit for market, and the company would take that car of coal and put it in their cars and refuse you pay for it?—A. Yes, sir.

Q. You state that as a matter within your personal knowledge?—A. Yes, sir; I have been afflicted with it myself.

Q. What company did that?—A. The Upper Lehigh Coal Company.

Q. When did they do that?—A. They did it right along, as I worked in the mines on more than one occasion.

Q. Who was the agent or superintendent who did that?—A. Well, the superintendent did not exactly do it; it was the docking boss at that time.

Q. Who was the docking boss?—A. James Van Horn.

Q. Did he treat you individually that way?—A. He treated all that way. He docked it when it was loaded wrong, and would take and dump the coal into the breaker.

Q. When did Mr. Van Horn take a whole car of your coal and refuse to allow you for it?—A. Probably a year ago.

Q. What year?—A. In 1886.

Q. You have got the cost here of this ton to the operator at 22½ cents paid to the miner and the laborer; what are the other items of expense to the operator?—A. You have failed to take the percentage there on account of dockage. I consider that when I load a car of coal and get nothing for it, I think that is a percentage of profit to them when they use it.

Q. It is difficult for me to go into that. We will take that at the end and subtract it.—A. Then, you understand, they sell oil and supplies.

Q. And they make a profit on that?—A. Make profits on all these.

Q. We will estimate that at the end along with the dockage.—A. Now, supplies; we will take the Upper Lehigh, for instance, and calculate in this way: Suppose there are 600 employed in and about these mines. There may be 150 to 200 of those 600 that would be outside, and company hands in the mines, which will make it 200 out of 600. That would leave 400 who were paid miners and mine laborers. Now, the 200 would be a cost to the company; their wages would be paid and they would be producing nothing—no coal. Now let us average the wages of those 200. I would average the wages of those 200 at, I may say, $1.10 a day, and I would be doing justice, I suppose—I may be high, but I will average it at that—that would be $220. Now, these 400 miners—say 200 are miners and 200 are laborers—the miners have got to stand the cost of the 400. Let us say those 400 would average 10 tons a day.

Q. That is, the 400 men engaged in mining—200 as miners and 200 as miners' laborers—would produce 2,000 tons of coal per day?—A. Yes; in my opinion.

Q. That is your estimate?—A. Yes, sir.

Q. The 2,000 tons, then, would have to bear the expenses of $220 paid to the 200 laborers not engaged in actual mining?—A. Yes.

Q. That is 11 cents a ton?—A. Eleven cents a ton.

Q. Then 2,000 tons bear the expense of $220; 1 ton will bear as much as 2,000 is contained in $220?—A. Yes, sir.

Q. Which is 11 cents per ton?—A. That will make 32 cents per ton.

Q. Then the cost of the labor to the operator so far as we have gone would be 32 cents per ton; is that the total labor cost?—A. I would believe that would be a fair estimate of the labor cost. Now you will take the expense of the mule feed and the expense of supplies that are required around the machinery, repairing, etc., oiling, all the oil that is used in the machinery, you can make that estimate; I have put that at 5 cents a ton, which will cover that.

Q. Can you tell me upon what basis you compute that, so that we can get at the probable correctness of your estimate?—A. I have no regular basis. I could not give anything you could adopt or anything of that kind, but I have set down and counted the mules at times, and the cost of feed, etc., and compared the cost of each mule per ton, and so on.

Q. At 5 cents per ton, 2,000 tons mined each day would equal $100 expense each day to the company; you say they mine about 2,000 tons a day. Now, 5 cents on each of those tons would amount to $100. You mean to say that that company now would be put to $100 daily expense for the purposes you have indicated?—A. Yes, I think something thereabouts, probably.

Q. What is the other item of expense to the company, the total now being 37 cents per ton?—A. You might take the salaries of the superintendents, I do not know what they are paid.

Q. That is a labor expense?—A. I would not consider them in the expenses.

Q. You do not calculate that in the labor expenses?—A. No, sir.

Q. How many superintendents do they have at that mine?—A. They have 2 inside and a general superintendent and foreman. Of course the foreman is considered in the labor calculation.

Q. The wages of the foreman are already calculated; there is no other labor, then, except the two superintendents. Do you know the amount of their salaries?—A. I do not know exactly the amount of their salaries. I have been informed that one receives $2,000 a year and the other receives $2,500. I could not say whether it was true or not.

Q. Four thousand five hundred dollars per year?—A. Yes, sir.

Q. Then the superintendents' cost would be about $12.50 a day?—A. According to that report I guess it would.

Q. That is a little over a half a cent a ton on 2,000 tons per day. Call it half a cent, it would be 37½ cents per ton. What are the other items of expense?—A. I do not know of any other. Well, there is insurance certainly, and some claim they are paying royalty or something of that kind for leases.

Q. What is the ordinary royalty?—A. I could not estimate that.

Q. Say 40 cents a ton?—A. I have been informed in some cases it is from 25 to 50 cents a ton.

Q. Well, say 40 cents a ton as an average, then 77½ cents a ton is the cost?—A. Yes, sir.

Q. If they own the land they receive the royalty themselves?—A. Yes, sir.

Q. It is a payment to themselves and it represents interest on the plant?—A. Yes, sir.

Q. Do these operators have large sums invested in the plant?—A. Generally, as far as I can learn, pretty large sums.

Q. I meant to say, and I make the correction at the suggestion of Judge Parker, that the royalty is intended to represent the investment in the real estate; is it not so calculated?—A. Yes; I guess, generally.

Q. Have you any idea what these lands are valued at?—A. I am informed there is a tract of land owned by G. B. Markle & Co., near Freeland, I can not remember the number of acres that is in the tract, but I am told they value it at $1,000,000. They say there is a good vein of coal there which has been proven; they hold it at that.

Q. How much land did this company control—the company where you were working and on which we have been calculating?—A. I think it was 1,000 acres, if I am properly informed.

Q. What is that land worth?—A. I do not know; you could not buy it; I have never heard it estimated.

Q. Do you know what tax it pays; its taxable value?—A. No; I could not give the taxable value. I only know when a man on the adjoining land built a house on one foot of the Upper Lehigh land—it covered one foot of their land—and after it was known, the gentleman not desiring to tear the house down, he asked the company to sell him that foot. I am informed the company said he was not wealthy enough to buy it. He was a well-to-do man; was pretty wealthy.

Q. That may have been mere exaction because of the circumstances. What I want to get at, if I can, is the probable value of this land. Now, you say you are mining about 2,000 tons per day, say at a royalty of 40 cents a ton, and the land owner was receiving $800 daily out of the royalty. That gives $240,000 a year of 300 working days?—A. The Upper Lehigh Company, as far as I can learn, own their own land, and pay no royalty.

Q. Well, land ought to be very valuable to receive a royalty of that sort. Well, independent of the cost of the land, have you any idea as to the amount invested in the plant, in machinery, in breakers, and all that sort of thing?—A. I know nothing, only it was reported that a new breaker that they built has cost them $50,000.

Q. How many have they?—A. They have two breakers.

Q. So they cost probably $50,000 each?—A. I could not say; I could not estimate.

Q. Are they all about equal value?—A. They would probably be. They are both considered good breakers.

Q. Well, you are familiar with all the plant there at that mine?—A. Yes, sir.

Q. Could not you estimate the probable money value of it or the cost value of it?—A. Hardly, from the fact that I do not know the prices of the machinery, nor would I know the price of lumber bought in bulk, such as required to build a breaker. I never had any estimate of those things.

Q. Aside then from the interest on the plant, we have estimated the cost to the operator of this coal at 77½ cents per ton. Is there any other item of expense that you can think of?—A. Not that I can think of.

Q. Do you think you have covered the whole ground?—A. I have as far as I can remember at the present time. I can not remember any other expense.

Q. Now, you said there would be something to deduct from this?—A. On dockage.

Q. Can you figure that in such a way as to get at it accurately, or a fairly accurate estimate of what it should be?—A. I have always estimated the dockage at 5 per cent. of the output, but I have been disputed by miners who say it is 10 per cent.

Q. Well, suppose I put it in this way. We have taken 9 cents per ton from the cost already as representing the profit of the operator on the powder. Now, do you think all the other matters of deduction, for dockage, for oil, and all that would aggregate fairly 5 cents per ton, putting it all together?—A. Hardly, I think; you might make it that.

Q. Let us estimate the whole at 5 cents. Five cents subtracted from 77½ cents would leave 72½ cents per ton as the total cost to the operator of a ton of coal at the mine where you were working loaded on the car. Is that your estimate?—A. My estimate came a little higher on the previous occasion when I counted it. I may have erred in the 400 here, I had 600 starting, but I can not remember exactly of those figures, but I believe this may have been a little high.

Q. What was the total of your estimate before?—A. The total of my estimate before, giving, as I believed at that time, the company a large measure more than was due them, as I considered I gave them at that time, considering the cost of putting coal on the car, was $1.30.

The CHAIRMAN. Including interest on plant and wear and tear?

A. That is what I put it.

Q. Did you say that estimate included the cost of plant?—A. Yes, sir; interest on the money invested.

By Mr. STONE:

Q. We have not put that in here?—A. No, sir. I want to say in regard to this I may have erred because I never had the figures I desired. Our local assembly did not get into the position for which I was working when this strike occurred.

Q. I am getting at your view as a practical miner of long experience. My attention is called to the fact that the deduction of 9 cents a ton as profit made to the operator on the powder is too much in this way; it costs you 18 cents per car for powder, and this 18 cents would be for 2½ tons of coal. If the profit was 9 cents per car to the operator on powder, then on the ton it would be less than 9 cents or about 4 cents?—A. We were on the ton instead of the car.

Q. Then that would raise the cost to the operator to 77½ cents per ton?—A. Yes, sir.

Q. It costs the operator in addition to that $1.80 per ton to ship it to market, which added to the 77½ cents makes the cost for mining and tolls $2.57½ per ton to the operator at tide-water. Now, if he sells that at $5 per ton, he makes $2.42½ per ton. On 2,000 tons per day he would make $4,840?—A. On that calculation.

Q. In a year of three hundred days he would make $1,152,000, with which to pay interest on his plant and to declare his profits. Do you think that estimate is correct or anything like correct?—A. In answer to that I can tell you I have been informed from the best authority that in 1886, at the small place of Eckley—I am told this by a person who claims he saw it on the books—in the small place of Eckley, Dr. Wentz earned $170,000 clear profits. I have been so informed by the party who saw it, and he said that all that remained for Dr. John to do to get the money was to write a check and present it to the bank.

Q. Do you think these individual operators are making any such profits as your figures seem to indicate?—A. I believe they are making enormous profits. Now, take this as you find it, $1,200,000, and divide it among five or six parties who are in company, and what does it amount to in a year? We ought not to be surprised, then, when we learn that men who were paupers almost twelve or fifteen years ago are to-day computed to be worth a million dollars. I know parties interested in the Upper Lehigh company—I know of parties who saw them when they were young wearing blue drilling aprons; to-day they are worth a million dollars. How could this be if the profits were not enormous?

Q. Give us the name of one of them—A. One of these men I am speaking of is William Powell and another Seymour Leisinring.

Q. How long since these men were working in the mines in blue drilling?—A. I say from fifteen to eighteen years ago.

Q. They were poor men working in the mines?—A. Mr. Powell was a poor man at the time.

Q. Explain to me, if you can, how it happened that this poor man working in the mine, just like the rest of these men, has managed to accumulate a million dollars?—A. I would not say positively he is worth a million dollars, but he is computed to be worth that. I will tell you about the man's history as far as I know. He was a practical miner, a good workman, and he saved several hundred dollars. Just about then the company were in straightened circumstances at the time and asked this miner for the loan of his money. Remember, in those days the miner was paid pretty well, and he managed to save several hundred dollars. He loaned them this money, and it turned out that this money was turned into stock of this company and he received proxies, and he is one of the partners of the concern to-day.

Q. What do you pay for fresh beef up here?—A. I pay as high as 18 cents for a steak, I think—15 to 18 and 20 cents.

Q. What is the probable average price of beefsteak or of the whole beef?—A. I might judge that probably 15 or 16 cents would be the average. If you wanted to get a sirloin you would pay about 18 to 20 cents.

Q. Then a beef will average 14 to 15 cents?—A. Fifteen to sixteen.

Q. Take dressed or uncut beef by the 100 pounds, how much would it be?—A. I can not say; I have not been fortunate enough to buy in bulk that way. At one time I bought a piece of beef—that was, I bought it for 7 or 7¼ cents.

Q. A quarter of beef?—A. Yes, sir.

Q. How long since?—A. My partner in business bought me some beef about a month ago, and he told me he paid, I think it was, 7 cents he paid for that piece of beef. He bought it from a farmer.

Q. What is flour worth here?—A. Flour has advanced of late. I believe it is worth something like $5.40 per barrel; something around there.

Q. Are the table supplies used by families generally higher here than the average?—A. I believe they are higher than the average.

Q. Now, two men mine six cars per day of 2½ tons each?—A. Yes, sir.

Q. For which they receive 79 cents per car?—A. They may do it to-day, and to-morrow they will send out three.

Q. Four dollars and seventy-four cents per day would be the sum made, then, to be divided between two men?—A. Yes, sir.

Q. In what proportion?—A. The laborer's generally is fixed.

Q. How much per ton or per car does the laborer receive?—A. Make it an average of six cars per day, he would receive 27 cents per car, $1.62 per day.

Q. The miner, then, would make $3.12 per day on that basis?—A. What is your figuring?

Q. I subtracted the 27 cents from the 79 cents per car, which leaves the miner 52 cents per car; six cars would be six times 52, or $3.12 per day.—A. After taking the powder out?

Q. That is the gross earning?—A. Yes, sir.

Q. How many days' work would you average per month?—A. Well, you might say fifteen to twenty days we might average.

Q. Well, what would you say; that is a big margin?—A. Well, say eighteen days.

Q. Three dollars per day would equal $54 per month; is that too much or too little?—A. This is the gross earning without reducing the cost of supplies at all; that is merely the gross earning.

Q. The gross earnings were $3.12 per day after deducting the laborer's amount, but without deducting your other expenses ?—A. Four dollars and seventy-four cents are the gross earnings. Now after deducting the laborer's account it leaves $3.12. Now there are the costs there that must be taken into consideration.

Q. Well, will the costs exceed 25 cents a day ?—A. It might, yes.

Q. One dollar a day ?—A. The cost in powder; I found that it cost me 18 cents a car for powder alone.

Q. That is $1.08 per day for powder ?—A. I found in my calculation that the miner received 79 cents per car from the company for a car of coal. I take it it costs that man 27 cents a car for the laborer's wages, that is six cars, remember. If he loads less certainly the cost is greater on a car. Eighteen cents a car for powder, 7 cents a car for oil, cotton, squibs, paper, tubes, shovels, etc., I claim it costs him 7 cents a car for those and 5 cents, or thereabouts, some say greater, for dockage, making a double cost, all to be deducted from the 52 cents per car, leaving him a balance of 22 cents per car.

Q. Then I understand you to say that in addition to the laborer's wages of 27 cents per car, you had to subtract 18 cents for powder, 7 cents for oil, etc., and 5 cents for dockage, or 30 cents per car. Now on six cars per day that would equal $1.80 expenses in addition to the laborer's expenses ?—A. Yes, sir.

Q. Take the $1.80 from the $3.12, on the calculation made a moment ago as to the share of the miner, it would leave you $1.32 per day net for your work on six cars per day. Now for eighteen days, at $1.32 per day, it would be $23.76 per month that you would make ?—A. Yes, sir.

Q. Do you think that is as much as the miners average on this basis of calculation through this region ?—A. There is one item that just now struck me in thinking of making up the account of the cost of coal. There is in connection with the mining of coal the standing of timber. Now generally miners in a flat breast will stand twelve to fifteen props, that is, supports for the roof, and these are to be taken into consideration; twelve or fifteen of these at 30 cents, which is for the miner, you see. There is nothing the company has to pay for, in considering the cost of coal, as timber. I do not know the cost or what they pay for their timber. They had their own timber until lately.

Q. Then you take account of that ?—A. I would not say how much that amounted to or what the cost to the company is.

Q. I will repeat my question; do you think $23 to $25 per month would average the earnings of the miners in this region ?—A. In coal, yes; but if you will add the amount of this timber he has generally got some dead work to perform and the only dead work they will pay for is these props. Then he has the benefit of 30 cents per prop coming to him along with the coal. Thus he may go a little higher some months and he may go a little lower; but I have found in calculating my own account, I have generally found myself to stand at $30, or hardly $30 on the average.

Q. That $30 was about the maximum ?—A. It was generally the maximum.

Q. In addition to that you pay $5 per month rent ?—A. Yes, sir.

Q. To the company ?—A. Yes, sir.

Q. Seventy-five cents a month for the doctor ?—A. Yes, sir.

Q. Do you pay anything for preacher or priest ?—A. No, sir. If that is done, it is done according to the desire of those belonging to the church.

Q. Now with reference to this doctor here. When men are hurt, does it involve a question of damage suits against the company?—A. I have not known of any in this region lately.

Q. Does it involve the question of the violation of your State law with reference to the mines and the management of the mines with a view to the protection of the laborer?—A. Lately there was a case occurred at Eckley of a person being burned by the gas.

Q. Does the testimony of this doctor in any of these aspects of the case become important to the companies?—A. I have known of no instance where the doctor's evidence was taken to overrule the miners.

Q. Now you have got to live out of that $30 after paying the doctor's bill $24.50 to support your family for the month?—A. Yes, sir.

Q. How much do they charge you for a ton of this coal?—A. One dollar and eighty cents to $2.10. I believe their prices at some places are $1.50 to $1.80.

Q. Then, after paying for the coal, which is necessary to have, is it not?—A. Yes; we must have coal.

Q. You average about that much, do you not?—A. Not in summer.

Q. Well, are you charged for coal you do not use?—A. Oh, yes.

Q. Required to pay the company for coal you do not use?—A. It is deducted from our pay.

Q. That is 12 tons per year?—A. Yes, sir.

Q. How much do you suppose you use during the year?—A. Well, if a person burns pretty hard they might use 10 tons in a year.

Q. Then you are left about $22.50 a month with which to feed and clothe your family, and for other incidental expenses?—A. Yes, sir; mostly less.

By Mr. PARKER:

Q. Your strike was on the 10th of September?—A. That was the day the order was issued, I understand.

Q. How was it communicated to the men?—A. I think it was communicated by delegate or message; I am not positive which. I was in the Wyoming region at that time.

Q. By delegates going about?—A. I believe so.

Q. Were they walking delegates?—A. I do not think they were walking delegates.

Q. Then it was communicated in the ordinary method; the order was, apparently?—A. Yes, sir.

Q. What communication have you had with the company, or companies, or operators, or any of them, from that date to this?—A. I know of no communication received from them.

Q. To the best of your knowledge have any operators made any communication in the way of negotiations or indicating a willingness to negotiate from that time to this?—A. None at all, except I might say as far as I could learn the committee was sent for at Stockton in the beginning of this strike.

Q. By whom?—A. I suppose they were sent for by the operator: I am not positive.

Q. Do you know who the operator was?—A. Lindermann, Skeer & Co.

Q. Did you see the communication?—A. No, sir.

Q. What was done; did the committee go?—A. Yes, sir.

Q. What was the result?—A. No agreement whatever.

Q. And this is all the negotiation you have had or known of since the strike?—A. I believe that is all I can remember.

Q. What became of the miners after the strike?—A. They went to different places seeking work. Some, as you see here, are at home.

Q. And about 20,000 struck?—A. That is the estimate, I believe, in the Lehigh Valley.

Q. What is your computation of the average of mouths to be fed represented by these 20,000 people. How many would you add per man to the 20,000 strikers to cover their families--women, children, the old, and the sick?—A. That would be a hard question to answer; I do not believe I could answer that question.

Q. Would four?—A. You might make it that.

Q. Have you no opinion upon that; have you any estimate upon that?—A. I have not heard an estimate upon that.

Q. How many people do you compute have to be fed on account of this strike of 20,000 men?—A. I should judge we had to feed—I should judge there was 15,000 being fed.

Q, Now of this 15,000 how many probably have families?—A. Probably about 80 per cent.

Q. And these families would average how many, including men, women, and children?—A. We generally average them at five.

Q. You spoke of a refusal of a calico dress at one time. Was that at a company store?—A. Yes, sir.

Q. Of the company by whom you were employed?—A. Yes, sir

Q. The 2 per cent. for collecting is not taken from the miner in excess of his taxes; it is simply a payment by the collector of his fee to the officers of the company?—A. Yes, sir.

Q. So it does not add to the miner's amount; he only pays his taxes?—A. No, sir.

Q. Then really it does not concern him how the collector collects the taxes?—A. No, sir.

Q. Name some of the employers of the Upper Lehigh mines?—A. Daniel Bertoch, A. C. Leisinring.

Q. At the present time there are many employés occupying houses owned by their old employers?—A. Yes, sir.

Q. Do they pay their rent?—A. The employés? Yes, sir; they do.

Q. Do the men on the strike pay rent?—A. Not at the present time.

Q. Are they allowed to occupy their houses without paying rent to the house owner?—A. They are allowed; there have only been a few evictions this far.

Q. Then the mine owners are furnishing rent for the strikers?—A. The employés are not paying rent, but the account is going against them as being indebted so much. In the case of G. B. Markle, he has refused to give the leases up on that account.

Q. To pay rent when?—A. The last two weeks they worked.

Q. Then, as you understand it, it is charged against the subsequent earnings?—A. Yes, sir.

Q. So that practically the employers are furnishing house rent to the strikers, relying upon the future to get their pay from future work, if at all?—A. Yes, sir.

Q. And the strikers remain in their houses without paying rent?—A. Yes, sir.

Q. The miners own their tools, I suppose?—A. Generally.

Q. Where are they left?—A. In the last place they worked.

Q. Where they stopped?—A. Yes, sir.

Q. Now you have stated some complaints, including taking the rents, being compelled to trade at stores, paying taxes through the company, and having to employ a doctor connected with the company; have those cases been presented as grievances to the company?—A. Yes, sir; I believe in many cases that has been presented as a grievance.

Q. How long ago?—A. I suppose they have been presented not long ago.

Q. How long ago?—A. I was on the committee in 1886 that went to them in regard to the dockage system.

Q. Was any change made at that time?—A. There was for a few days, then it got back to the old rut again.

Q. I wish to know what was the especial demand made upon the company when this strike was inaugurated?—A. The especial demand was for an increase of wages or an arbitration.

Q. Or arbitration of wages?—A. Yes, sir.

Q. Was any grievance presented at the same time relating to any of these other matters?—A. I can not say it was in the last demand, but the one previous to the last where we also asked for a reduction in mining supplies in connection with the demand.

Q. If that was asked, if these two things were the only things asked in the last demand which was the occasion of this strike, then, as you understand it, this is absolutely a wage strike, and the strike, as it now stands, does not cover the question of dockage, rents, stores, etc.?—A. This is a matter of grievance which we hope by conference to adjust.

Q. I want to call your attention to the question of the condition as to this strike. The present existing strike is based upon nothing but the wage question?—A. Principally upon the wage question.

Q. Now I will ask what I think will fairly cover the other. Did the condition of the minds and feelings of the miners on account of what they thought were severe charges in the other question, help to put them in a condition to be willing to strike?—A. Yes, sir.

Q. Now, then this, docking, if fairly and honestly done by the man who does the docking, is a necessary proceeding, is it not?—A. Not in the way it is done.

Q. That I am not asking you. Would it be fair to the employers to pass all coal put into the cars or wagons, first-class and poor coal, without any docking?—A. No; we do not ask them that.

Q. Then there must be some docking fairly, must there not?—A. There must be some docking after it appears that there is refuse in that coal.

Q. Then somebody has got to decide that?—A. Yes, sir.

Q. Now, if the man who does, decides it honestly and is an expert, that is all you have a right to ask?—A. I believe we have a right to claim to have a man on there representing us, the same as the coal miners in the West have a check man representing them.

Q. Will you be willing to have deducted from your wages to pay the earnings of an additional man to judge with the expert?—A. Most assuredly we would.

Q. And when they disagree how would you adjust it?—A. By arbitration.

Q. That is the settlement you would prefer?—A. Yes, sir.

Q. And advise?—A. Yes, sir.

Q. You have stated in regard to the drinking habits of the men, they are much better than they used to be?—A. Yes, sir; far better.

Q. And to what do you ascribe that?—A. I ascribe that to the oppression they suffer. I believe that there is such tyranny that will force the men to think. It will force a man to consider what to do to lighten his burdens.

Q. Then you think the thinking habit is much better than it used to be?—A. Yes, sir.

Q. What do you say about the habit of the men frequenting the aloons lately; are they in the habit of using as much liquor as usual?—.. I think not.

Q. To what do you ascribe that change?—A. I ascribe it to the same ing, this thinking power. I believe the men have come to the conclu on that to become better situated they must help themselves.

Q. Do you give the Knights of Labor any credit for that change?—. Yes, sir; I do.

Q. Largely and considerably?—A. Yes, sir.

Q. Now, you make some complaint where they charged you for the al which would be used or might be used. I wish to ask you if this stem of charging a proper amount of coal to each family and having em pay for it regularly at a fair price does not tend to prevent trouble, revent collisions, and charges of picking coal?—A. I do not believe it right to charge that which we do not use.

Q. Would not charging them for a fair amount they would of neces ty use keep better relations with the two parties concerned, than it ould be to drive them perhaps to pick their coal here and there and ave trouble come of it?—A. I do not think the people would pick coal.

Q. Is it not the theory of the company that by selling it in this way ey avoid any contention as to where they get their coal?—A. No, I not think it is done for that; I think it is done for the company's rofit.

Q. Done absolutely as a speculation and as a matter of profit?—A. es, sir.

Q. Now, as to the company stores and their orders. A man without apital or credit can do better with these stores as a rule than he can ith the independent stores, can he not?—A. He can get provisions there hen he is debt to the company, but there is a limit beyond which he an not go.

Q. Suppose he goes to work for the company and is an unknown man ithout capital or credit, the company stores will furnish him credit hen no one else will?—A. I do not know; the people working in the eading Railroad are not connected with the company stores, and we not hear any great oppression of men being refused credit.

Q. That I did not ask you; whether an unknown man without credit capital, who goes to work for one of these companies, would not the mpany for whom he is working treat him better than a stranger uld?—A. They ought to.

Q. Then does not the man get credit at the company stores quicker n he could any where else?—A. He may.

Q. Then for such a man the company store is a benefit?—A. It may in that way.

Q. Is not that really the source and origin of the company stores?— I could not say. I do not think it was.

Q. You think it works every way, and they make an extra profit?— I think it is a matter of profit accruing to the company.

Q. How young do boys work in the mines where you have been?— I believe where I am working—where I work they complied with law; none under twelve.

Q. Are there fair opportunities for schooling?—A. Pretty fair oppor nities.

Q. And this is included in this tax, except books?—A. Yes, sir.

By the CHAIRMAN:

Q. If 20,000 miners struck here in September how many are at wor ow in the Lehigh coal region?—A. I suppose there are less than a undred at work to-day in the Lehigh region.

Q. Are these coal mines all idle?—A. Yes, sir; all idle, except one or two instances; very few men are working.

Q. Are those Knights of Labor who are at work or are they new-comers, unorganized labor?—A. They are men who struck and went back to work, and are now called "scabs."

Q. So the coal mines of the whole Lehigh region are idle, except about 100 miners at work?—A. There might be a hundred. I do not think there is any over a hundred.

Q. This committee and the public are exceedingly anxious. Certainly the public have a very deep interest in composing this quarrel and having the miners resume. Perhaps the coal operators and the miners are stubborn about proposing or accepting terms. In enumerating the grievances of the miners and in reply to questions put to you by Judge Parker, of the committee, just now, I understood you to say that the miners are demanding an advance of wages?—A. Yes, sir.

Q. Please tell us about that advance; I take it if a definite proposition was made by the strikers to the operators, or if a definite proposition was made by the operators to the miners, there would be some basis for negotiation, and I hope now you will tell us about what per cent. advance in wages the miners want. In other words, please tell the committee what the terms are that the miners wish to get, including a recognition from the operators.—A. We believe the advance would be about 15 per cent.

Q. On what basis?—A. On what we were receiving when the strike occurred.

Q. About what amount would that be per day on each miner? What was each miner getting, say on an average, when the strike occurred—how much a day?—A. The miner was getting $11.34 a week, or $1.93 per day. We are now asking for $2.27, miner's wages.

Q. What is your next item of grievances?—A. The most important item is tonnage. The majority of the men are working under the contract system, so much per ton and so much per car. Formerly it has been 42½ cents per ton, now we ask for 47¼ cents per ton.

Q. An increase of about 5 cents of tonnage?—A. Five and one-half cents of tonnage.

Q. Is there any other item of grievance that the miners insist upon?—A. The other matter of grievance is that the operator refuses to meet the miner in conference and refusing to recognize communications from the organization. We want the operator to meet us in convention, and, instead of striking—instead of injuring the public and ourselves—to stand like men in a body and there fairly reason it out with good common sense. That is what the miners ask for along with this advance in wages.

Q. Is there any item of grievance that the miners complain of or demand other than you have stated?—A. There are other grievances, but of secondary consideration.

Q. The three you have enumerated are wages—— A. (Interrupting.) Yes, sir; they are the chief.

Q. About what proportion of the 20,000 miners who struck have left the Lehigh region and gone elsewhere, according to your judgment?—A. It is a pretty hard matter to estimate the number. I might say there are probably one-fourth of them away. It might be running up to one-half.

Q. Between a fourth and a half have gone elsewhere for work?—A. Yes, sir.

Q. For some weeks or months before this strike occurred were the miners at work the full time?—A. No, sir; the miners seldom work full time any more.

Q. Since when?—A. There are only two or three months in the year when the miner gets steady work since 1880; and since I have been in the Lehigh region there have not been many months in the year they have worked full time. I have known of them to work nine days in the month.

Q. Please give us about the average days per month that the miners were working for a year or two before this strike occurred?—A. I could not give the average.

Q. Upon the whole do the 20,000 men work thirteen days, all of them, each month; that is, do they work half time?—A. Somewhere about half time.

Q. Is it more than half or under half?—A. It might probably be a little more than half.

Q. Was not that caused by an excess of labor being in this region?—A. I believe not; but I could not say.

Q. Was it caused by overproduction of coal?—A. It is so stated that was the cause.

Q. If that was the cause why did not half of these miners go away or engage themselves in some other employment than mining. If they were to do that, the miners remaining could work full time?—A. It would appear so, according to your argument.

Q. Are most of the coal operators in the Lehigh region owners of their own mines or lessees of others' mines?—A. I believe the majority of them are owners. I could not say positively, but I believe the majority of them are owners.

Q. There is one other question about which I would thank you to give me as full information as you can. It seems you have a capitation tax or poll tax, or license tax, whatever you call it, levied on each man's head, as it were, in this State. Here are 20,000 miners, or near that, as I understand it, between certain ages, probably between twenty-one and sixty, say, or fifty: they pay this tax, and they pay it for all purposes of the State and county?—A. Yes, sir.

Q. Could you give this committee what you would regard as the average amount of poll-tax that each of these 20,000 miners pay for public purposes?—A. I would refer you, in that case, to the gentleman who will probably follow me on this stand.

Q. Do you suppose that to be as much as $3 apiece on the average?—A. I really could not say. I do not know what the taxes are in different townships.

Q. Could you tell the committee whether there was any limit imposed upon the coal operator as to the amount of output of each mine?—A. I suppose there was.

Q. Will you give us your reasons for so believing, or the foundations upon which you base that belief?—A. I believe, certainly, that there is what is known as a combination of operators to regulate the output.

Q. The output in the first instance is adjusted among the operators, and then each operator adjusts it among the miners?—A. I suppose so. I suppose that is done as per agreement among the operators.

Q. Does the railroad company have anything to do with them?—A. I guess they have, as they mine in Schuylkill as well as in here.

Q. Are there any facts within your knowledge tending to show that there was a limitation as to the number of coal cars which was to be delivered to each mine, or any limitation of the number of cars each mine operator should have for his own mine?—A. I have no information other than report.

Q. And a well-grounded belief?—A. Yes, sir. I remember going the first time to Mr. Pardee, the first or second time, I am not positive, and we asked him if he was chairman of the Lehigh Coal Exchange. He replied that he was not; that he had been chairman, but he was not at that time. That was in 1886. We were told after leaving his office that his son was chairman, Calvin Pardee. We were afterwards informed that the Lehigh Coal Exchange was to meet at a hotel at Glen Summit on the Sunday following our demand. A reporter, we were informed, connected with the Sentinel of this town, was to be there as stenographer. We were afterwards informed they did not meet, and that they had deferred the meeting until a day later, which meeting was to be at Mauch Chunk. We, as a committee, went to Mauch Chunk. The reason we did not go to Mountain Park was, it was on a Sunday and we had not money enough to support us over Sunday, but we went to Mauch Chunk expecting to go into this meeting, or ask for admission. We went to the meeting, and of course we found nothing—no meeting. A couple of days later the papers stated that there was a meeting of the Lehigh Coal Exchange.

Q. From which the miners had been excluded?—A. The miners were not admitted and they never had representatives, as I know of, in the Lehigh Coal Exchange.

Q. If the miners could know, say, at the beginning of each month, about what limit or output had been imposed upon a certain mine or district of mines, would not such information be of great value to them, so that those who could not work full time might go away elsewhere if they wanted to and engage in other business?—A. It would.

Q. Would not that information be of great value to the miners?—A. Yes, sir.

Q. Now a question as to freights, and I am done. To what point is most of the coal shipped, or to what point is most of the coal of the Lehigh region shipped?—A. Elizabethport, I believe.

Q. Can you tell us what the average freights are per ton upon that coal from the Lehigh region?—A. I am told $1.80.

Q. From what points?—A. From all points, so I am informed.

By Mr. ANDERSON:

Q. You spoke of three months, I think it was, in which, ordinarily you got full time; what months are they?—A. We found July, August and September, some years, to be pretty good.

Q. The reason I was asking the question is to know at what period of the year the company could best afford to have their mines in operation.—A. Well, the spring of the year; we have the greatest idle time through the spring.

Q. And then in July and August?—A. In the latter part of July generally, we work better time than we were working in the spring.

TESTIMONY OF JAMES G. BRODERICK.

JAMES G. BRODERICK, sworn and examined.

By Mr. PARKER:

Q. Are you a native of this country?—A. No, sir; I am a naturalized citizen.

Q. Where were you born?—A. In Ireland.

long have you been in thiscountry ?—A. Pretty near twenty-

long have you been in the Lehigh mining region ?—A. I
the Lehigh region in November, 1869.
have remained here ever since ?—A. I have remained here

t different collieries have you worked in ?—A. I have worked
ieries.
·h were they ?—A. Milnesville and Lattimer.
ie are they located as to this city of Hazelton ?—A. About 4
ı of here.
together ?—A. Close together.
long have you worked in those two mines ?—A. I worked in
ne the better part of the time from 1869, except about two

were the operators ?—A. Well, Pardee & Co. operate at Lat-
the Stout Coal Company in Milnesville.
r. Pardee understood to have any interest in the last mine
med ?—A. No, sir.
you give the name of the operators of the last-named mine ?—
inkle is one, and I think Mr. Stout was another.
you at any time been a practical miner ?—A. Yes, sir; I
gh the whole mill.
you go out on the strike that has been mentioned ?—A. Yes,

t day did you quit ?—A. We stopped work on the 10th of

t knowledge have you of the proceedings that culminated in
?—A. Do you want to get a brief account ? Do you want me
statement ?
state the proceedings in your own way that relate to this
ving out everything else that may have been between the
and those in the mines. Strike upon what proceedings in-
strike.—A. We had been considering the matter for years
re found our condition was getting worse continually. We
, as you have seen, a schedule of wages and we thought we
if we could receive that amount of pay.
for some years the condition of the miners has been growing
. Yes, sir.
it not that the miners comprehended the discomforts un-
they labored then better than they used to, so that the
ulties seemed of more consequence to them than they used
e have difficulties, of course, to contend with.
t do you think of that, of what I asked you ?—A. I think it
s because we were reduced in pay and could not live.
being reduced in pay you had harder work to live and sup-
families, until it seemed to you that you must make some
t more pay for what you performed ?—A. Yes, sir.
you did what ?—A. Then we sent this document to the

is, the demand submitted by the last witness ?—A. Yes, sir.
was sent when ?—A. It was sent before the 5th of Septem-

ou know whether measures were taken to have it communi-
rally to the operators ?—A. Yes, sir; there was a committee

appointed to have it sent directly to every operator in the Lehigh region.

Q. It was put in print and a large number of copies printed, and they were ordered to be distributed through the region?—A. Yes, sir.

Q. Do you know whether it was printed also by the public press?—A. I saw notices in the public press.

Q. After they had communicated with the operators what next occurred?—A. They took no notice of it, though in our demand we had coupled with arbitration that work was to continue pending same.

Q. You asked two things practically; you asked an increase of wages and you asked for arbitration, and if they did not consent to the increase of wages, you asked arbitration upon that?—A. Yes, sir.

Q. What response was made?—A. No response was made.

Q. Did your committees of your men talk with these operators to ascertain why they did not answer, or whether they were willing to answer?—A. Yes, sir; after we had made the demand and after we had stopped work. Rumor had it that they would confer with a committee of our men.

Q. After you ceased work?—A. We sent notices.

Q. You sent notices and held back and made no communication to these men until the 10th of September, and then, without consulting the men who employed you, you struck and went out, is that it?—A. We did consult them upon several occasions.

Q. But on this occasion, after these notices were issued, you struck?—A. We did not consult them, with the exception that we sent the pamphlet to them; we considered that was consulting them.

Q. They did not go to you and you did not come to them, therefore you kept apart?—A. Yes, sir.

Q. Now you may go on further and tell what occurred next.—A. Well, rumor had it, or the papers made mention, that they would confer with us. And so we appointed a committee to see Mr. Coxe and Mr. Pardee, and having that spirit we sent a committee.

Q. What Pardee?—A. Both Pardees.

Q. You mean the firm of Pardee & Son?—A. Yes, sir.

Q. You sent a committee; who was this committee?—A. A committee of his own employés, one man by the name of Summers; I forget the names of the other two.

Q. Do you mean they were then his employés, or men who had been at work for him and out on strike?—A. Then out on strike.

Q. How many were there?—A. There were three.

Q. From your personal knowledge, or from report by these men, what was the result?—A. If the men would go to work he would give some advance. I think that as coal would advance he would advance the wages; that was his answer, I think; virtually nothing.

Q. Did he make any answer to the proposition to arbitrate?—A. This was his answer by the report of the committee.

Q. Since that has there been any communication between any of the men going out upon this strike or any of the employers, as you understand it?—A. Not that I am aware of.

Q. Has not there been any effort on the part of the men to seek negotiations from that time to this?—A. Yes, there has been certain effort on their part.

Q. You may describe it.—A. Well, we got the executive board of the Knights of Labor to come here and try to open negotiations between the men and the employers; got outsiders, but they would not talk with them.

Q. And the men themselves have not been to negotiate?—A. No, sir.

Q. What have the men been doing since that time; what have you been doing?—A. Sometimes I work in the interest of the people here; that is, trying to get subscriptions, etc., to help sustain them.

Q. You have not been laboring since the strike?—A. No, sir; I have not been working any since the strike.

Q. And there has been really no work for the men to do since the strike?—A. No work here.

Q. Then they have to remain idle or go off for work?—A. Yes, sir.

Q. Was this strike purely a wage strike?—A. It was purely a wage strike; yes, sir.

Q. What difference is there between the wages that you received the 1st of September last and the wages you had formerly received?—A. There is a schedule somewhere around here that contains that.

Q. Well, make it practical, explain it in your own way and illustrate it, if you wish, by your own case, so we can get it into shape.—A. How far do you want me to go back?

Q. Well, say a year.—A. The wages did not vary anything in one year as regards mining.

Q. You say the wages had been continually reducing?—A. Yes, sir.

Q. How long had they been continually reducing?—A. It had been reducing—sometimes would advance a little—but as a rule it came down from 50 cents to 42½ cents when coal was selling at $5.

Q. When was that?—A. In 1869 we received, I think it was, 50 cents a ton; I think it was 55.

Q. When coal brought $5 at tide-water?—A. Yes, sir.

Q. When did that occur or when did it reach that limit?—A. In 1876 our wages was brought down to 28 cents a ton for mining; I think it was in 1876.

Q. Was there an increase after that?—A. After that there was an increase.

Q. Of how much per ton for mining?—A. We returned to the old system.

Q. That would be about 31 or 32 cents?—A. It was more than that.

Q. Well, how much?—A. We got 38 cents.

Q. How long did you continue at 38 cents?—A. I think about two years; the last year we got 39.

Q. Which year did you get 39?—A. In 1886.

Q. When did you get more than that?—A. We got more than that in 1875.

Q. How much did you get then?—A. I think we got 56 cents a ton, coal sold beyond the market price.

Q. Do you mean you got 18 cents more than you did in 1886?—A. Yes, sir; I got $1.13 for a car.

Q. I only want the amount per ton; you got 18 cents a ton more for mining then than in 1886?—A. Yes, sir.

Q. Now tell me when that reduction took place?—A. I can not give it exactly, it kept reducing since to the present time.

Q. Upon what charges was it reduced?—A. The operators claim that it was on account of the reductions of the prices of coal on the market.

Q. They claim that the competition at New York and western points was such, from the soft coal and from the anthracite coal fields, that they must reduce the prices; now, when was that?—A. Right along; I could not tell.

Q. Through what period?—A. Right along from 1875 to 1886.

Q. And in 1886 the miners felt as though they were not receiving enough for their work?—A. Yes, sir.

Q. Was it a common subject of discussion among your organizations of labor that the miners were not receiving their fair proportion of the earnings?—A. It was the common talk among organizations of labor and among unorganized labor. All felt alike.

Q. Then all agreed upon that?—A. Yes, sir; they all agreed upon that.

Q. Before September, 1887, were there any personal negotiations between the miners and their employers upon this subject?—A. Not in this region.

Q. Did you occasion a strike and throw 20,000 men out of employment and 100,000 people out of support without going to your employers and talking the matter over with them?—A. We sent them communications and for reasons—if I must explain I will—for reasons best known to the men employed under these companies, they wanted a committee to go to the officers of the companies.

Q. They were to go in such a way they did not wish to go?—A. Yes, sir.

Q. Was there a disposition on the part of the organization of labor to require the employers to recognize their agents as such?—A. We considered they had a right to recognize our officers.

Q. You considered it was their duty to recognize them?—A. Yes, as we had recognized theirs.

Q. Was not that part of the contention that led to the strike?—A. Yes, sir; it was part of the contention.

Q. Now, you say the strike was ordered by local assembly number what?—A. The strike was ordered by a majority vote of the Lehigh region, which was counted nineteen out of twenty.

Q. In this order or convention of the representatives of all assemblies located in the Lehigh region?—A. Yes, sir.

Q. A joint convention where all the assemblies were represented, or does one assembly cover the whole region of miners?—A. No; there are assemblies located at each main town, and then there is a district assembly they are attached to.

Q. Why was not the question of the strike submitted to the national executive board, before such a strike as this was ordered?—A. So it was.

Q. Before the strike was ordered?—A. Yes, sir.

Q. And had their approval?—A. Yes, sir; we had their approval.

Q. In documentary form?—A. In documentary form, we had it from the September previous, and we had notified them, and from the fact they did not appear, that gives their sanction.

Q. Then you infer their approval from not appearing?—A. Yes.

Q. You do not mean in this instance that Mr. Powderly and those acting directly with him approved of this strike before it was begun?—A. I believe they approved of it.

Q. Do you know of it?—A. That they approved of it.

Q. Before it was made?—A. Yes; we sent for them to come here and investigate. Last September over a year ago we had made a demand of 10 per cent. We sent for the executive board to come here, and they recognized our claim as just. Then the executive board had visited Mr. Ario Pardee & Co, but he gave no satisfaction.

Q. Was it the national executive board who visited Mr. Pardee?—A. Yes, sir.

Q. Then one of the elements producing the strike was the treatment

r. Pardee gave to the representative board, was it not?—A. I can not y that.

Q. Was that the reason why your subordinate men did not call upon r. Pardee, the manner in which he had treated the representatives of e executive board?—A. From past experience we understood that r. Pardee would not treat with them; because we had visited him on veral occasions, and he would not treat with us.

Q. Has there been any violence in this region on account of the strike, y assaults and batteries, or collisions of any kind?—A. There has en no difficulty that I am aware of.

Q. Everything has been peaceful and quiet?—A. It is very quiet, but t exactly peaceful.

Q. The men have been quiet under order to do the best they could?— . We are trying to do that.

Q. Then there has not recently been any proposition of any kind in gard to the employés and the employers?—A. No, sir; we have not. ere has been another committee that I know of that visited their perintendent.

Q. Give us a statement of that, if you will.—A. Linderman, Skeer Co. had signified their intention of meeting a committee of their own en. The committee went to meet with the superintendent, but he ly said that he would pay them the same wages as they were receiv-g before they struck, and when coal would advance he would give em an advance. That was the answer.

Q. What reply did they make to that?—A. They could not accept at.

Q. And they came away. About when was that?—A. I think that as in November.

Q. Now you have told of all the efforts that you know of to adjust is trouble?—A. Yes, sir.

Q. Have other grievances had something to do with the bringing on of is strike, although not in the demand upon which the strike was sed?—A. Well, there were other grievances we might couple with e question of wages, but if the question of wages was granted, why e would accept.

Q. Would you have put the question of wages as prominently as you ve and the amount of your demand as large as you did, if there had t been other grievances existing before?—A. Probably it had a ten-ncy that way.

Q. The matter of the requirement to trade at company stores, was at one of them?—A. Yes; we would like to get rid of the company ores, if possible.

Q. Do you believe the miners suffer on account of the necessity of ading at the company stores?—A. From reports as given by the rep-sentatives from different mining places, I believe they have cause to mplain of the stores.

Q. Do you believe that they affect the monthly wages of the miners nd the mine laborers so as to reduce their monthly rates?—A. I do, r.

Q. And that the companies make proportionately?—A. Yes, sir; I lieve that.

Q. Do you know anything of the amount of coal on hand at the time this strike?—A. No, sir; I can not give you an estimate of that; I n not answer that question.

Q. Do you know of any circumstances indicating that the companies d an excess of coal in the anthracite region and were willing to permit a strike here to increase the price of coal?—A. I am not aware of that, sir; I can not answer that question. The companies generally do not let working people into their secrets, consequently it is hard for a workman to answer questions of that kind.

Q. Where do you suppose this payment to the miners comes from?—A. I do not understand.

Q. When the miners are at work they are paid so much per month or per ton; where do you suppose that comes from?—A. From the article they produce.

Q. How does it come, how is it obtained?—A. By the profit they realize on the article.

Q. The profit do you mean?—A. Yes, sir.

Q. The profit is what is left after you are paid?—A. The price they are paid for coal.

Q. Then the wages you men receive come from the consumer?—A. It is the consumer that has to pay for all.

Q. The consumer pays for all. Well, now, in making this strike you have added from 50 cents to $1 a ton to this consumer, have you not?—A. We would rather reduce it.

Q. Have you done it by making this strike?—A. We have not directly advanced it.

Q. But the advance followed after the strike?—A. The companies have the coal, not the miners.

Q. The advance followed after the strike, did it not?—A. It followed the strike.

Q. Now I wish to know if you who ordered the strike and are responsible for it somewhat, took into consideration the interest of those consumers who furnished the fund out of which you are paid?—A. Yes, sir; we considered that.

Q. How?—A. We considered that the companies realized too much profit and that the consumers paid too much for the coal and we are paid too little. We calculated that the railroad companies and the mining companies received the great profit, while we received a small share and the consumers have to pay for all.

Q. Did you consider whether it would raise the price to the consumers by your striking?—A. Yes; we considered that.

Q. Well, did that have any influence upon your striking?—A. It would have had influence from keeping us from striking, but under the circumstances we could not do otherwise; and what we demanded on a ton of coal would not raise the price of coal on the consumer.

Q. You are conscious now that the consumer was injured on account of the strike?—A. Yes, sir; I believe he was injured to a certain extent.

Q. Did you consider his interest, and did that influence you in making the strike?—A. We considered the interest of all.

Q. And by all do you include the consumer?—A. Yes, sir; the consumer.

Q. Do you mean that you thought it would benefit the consumer for you to strike?—A. No, sir; I do not think it would.

Q. It would be likely to work the other way?—A. Yes, sir; it would be likely to work the other way.

Q. What number of boys was there included in this 20,000 striking men?—A. I do not hardly think there were any boys included; of these boys and men I can not give the number.

Q. What proportion were boys?—A. I can not give an estimate.

Q. Well, put it another way. What amount of wages per day would

20,000 strikers have earned, if they had kept on working, per each rking day ?—A. I suppose they would make about $20,000 a day.

Q. Now, as you were working, how many days were lost in Septem- by reason of the strike ?—A. We were worked only to the 10th of month.

Q. Well, how many days—perhaps you would have had less—I want ir estimate of the number of full days you lost in September by the ike ?—A. That is a question I can not answer. The companies work ferent; some companies work more days than others. Some compa- s might work twenty days, and some fifteen, and some twelve, and on.

Q. Would it be correct to consider every working day in September er the 10th ?—A. I do not hardly think it would.

Q. Well, how much less than that ?—A. Probably there might be -third.

Q. Now, as to October ?—A. I can not give you an estimate of the ount of days.

Q. How many days would you have worked in that month except for strike ?—A. Probably twenty.

Q. And in November ?—A. Probably the same.

Q. And in December ?—A. Probably the same, or close on to it.

Q. And in January ?—A. We generally run short in this month.

Q. How many days in January would you have worked ?—A. Well, ias been the habit in years gone by to work half the time.

Q. You compute, therefore, half time for January ?—A. Yes, sir.

Q. And for February about the same ?—A. Probably the same.

Q. Then during this period there has been a loss of $20,000 a day the workmen of this region for the number of days you have given each month since the strike ?—A. Yes, sir.

Q. Has anybody got that money ?—A. I do not know they have. mebody must have it.

Q. Nobody has earned it ?—A. No.

Q. The employers have saved themselves from paying it ?—A. Well, n the employers in this region have saved this.

Q. Then if they had as much coal as the market would take, I sup- se they have not lost much ?—A. No, if they had the coal.

Q. We will take the whole region through, the anthracite region, if y were able to furnish as much coal as the market would take, with 000 men on strike in the Lehigh and the Schuylkill regions, and the ge-roll reduced proportionately, then the employers in the two regions de money ?—A. I should think so.

Q. Except that, do you know of anybody that has been benefited by is strike ?—A. Outside the operators in the county, no, sir.

Q. Were the workmen ?—A. No, sir.

Q. You do not see that you have been benefited much by it as yet ?— No; we have not been benefited by it.

Q. How large an amount was accumulated to support these people, w long have their families been supported ?—A. They have lived on subscriptions they received from others.

Q. By the assistance of brother organizations of workmen ?—A. Yes,

Q. And the support has been very handsome and liberal ?—A. It has en liberal.

Q. Have any of these mines started up and employed unorganized or and been running since this strike ?—A. There are some, not very ny.

Q. Well, give me your estimate of that.—A. Derringer, operated by Coxe Bros. & Co.

Q. How many have they employed?—A. I believe less than 100 men. They started, probably, with six or eight inside, and kept coming and adding to them.

Q. These men have not met with any violence on the part of the striking men, have they?—A. Not that I am aware of.

Q. Have any other collieries started up here with unorganized labor?—A. There is one up here.

Q. How many do you suppose are at work in the Lehigh region properly?—A. Probably a hundred men or less.

Q. You mean more than that in the Lehigh region?—A. I do not mean more than that; that is, in the actual mining of coal.

Q. These operators have not made much effort to develop their mines and increase their output since the strike, have they?—A. They have made efforts, but were not successful.

Q. What has been to hinder or interfere with it; what has prevented them?—A. Why the action of the Lehigh region on September 10; that is exactly what has prevented them.

Q. But what has prevented them from bringing in outside labor? What has hindered them from bringing in labor and putting it at work; the world is full of labor?—A. From the fact they know nothing about the work.

Q. You think they could not find skilled miners?—A. I do not know that they could get miners to come in and fill their places, a laborer would be useless to put in a mine.

Q. So the laborer would be useless, and you think the miners would have refused from sympathy with the striking miners?—A. Yes, sir.

Q. And that practically prevented the further development of the mines during the existence of the strike?—A. That is it, sir.

Q. Do you understand the fact to be as stated by the last witness, that many miners are in the houses that are owned by their former employers and that they remain without paying rent except what was charged against them on account?—A. Yes, sir; they remain in the houses. The system under which we hold the houses or rent the houses was they are stopped monthly when at work, and when they are not at work they charge the man with that; so, really, they deduct the rent from our pay.

Q. You may explain the methods of leasing and the manner in which that bargaining is done, if you will. I think you understand it as well as any one.—A. The form of the lease?

Q. If you have one.—A. Mr. Hines has one.

Q. If there is anything about the lease you can state it; please state it.—A. We are not consulted in regard to the lease; we are forced in a measure to sign it. We get the house and go to the office for the key, and they hand you something like this, and say "sign your name." If you refuse it you can not get the key. Under that lease there you must leave the premises in from five to ten days.

Q. If you fail to pay the rent?—A. If you fail to do as they wish you to do.

Q. Are these conditions stated here in the lease that you must comply with; is the discipline provided for in the lease?—A. Not that I am aware of.

Q. Did considerable numbers of your men go to the Schuylkill mines?—A. A number of them went when it was working.

Q. And quite a number of them went to the Lackawanna region?—A. Yes, sir.

Q. Have they helped to increase the output from there considerably?—A. Yes, sir.

Q. Is there any other matter you wish to explain to us and state about?—A. As regards the leases? I think it was in last May there was five families evicted in a place known as Hazel Brook.

Q. Do you know the circumstances, or are you informed as to the circumstances?—A. Yes, sir.

Q. You may state them if you please.—A. They considered they were aggrieved and that they were not getting justice, and they met their employer and wanted the matter rectified, and he would not consent to doing this; consequently they struck, and he gave them this five days' notice, and on account of that they were evicted.

Q. How was it managed; were they simply told to go out and they went, or were they removed by an officer?—A. Put in the street; yes, sir.

Q. Parties in the strike?—A. Yes, sir; and they had to leave there.

Q. And they had to find housing somewhere else?—A. Yes, sir.

Q. These were families—men, women, and children?—A. Yes, sir.

Q. Is there any other matter connected with the strike which you wish to explain or give us your statement of?—A. There is a matter that has been likely looked after; that is, the matter of outside pay.

Q. Make a statement about that, if you please.—A. In 1875 our people received from $9 to $11 a week as outside laborers. To day, if I am informed correctly, according to the statement made, they are working for 61 cents a day up to $1,15, and in a few cases they received $1.30; that is but a few cases, and we consider that a great wrong. In many cases the children were barefooted and without clothes before we made that demand.

Q. Is it your judgment, from what you have seen, that in the cases of where the children were barefooted and insufficiently clothed, that the workmen, or men and boys of the family, did what they could to support them?—A. Yes, sir.

Q. Worked hard and earned good wages and were good, strong men?—A. Yes, sir; they were good, strong men. I know, in fact, that in five years the butcher didn't stand at their door to give them a pound of fresh meat.

Q. What has been the system with such people as to obtaining meat?—A. In some cases there is what is called the company butcher. In the case of Hazel Brook there was a company butcher, I think, sold meat.

Q. And charged it against the wages on account; that is, they could get the meat when the account would bear it?—A. Yes, sir; but there was no other butcher allowed in there. That was considered private property in that town, and a butcher would not be allowed to come in with his wagon, according to the statement made.

Q. Where was that? A. In Hazel Brook. They were notified by the Coal and Iron police not to come in on the premises to peddle meat and other things.

Q. You refer to the Coal and Iron police who are on duty in the Lehigh Valley Railroad in this county?—A. Yes; who was employed by Norris & Co.

Q. You heard the statement of the last witness, Mr. Evans, in regard to the trading with the company stores, and as to the effect of such trading?—A. Yes, sir; I heard part of it.

Q. Do you agree with his statement as to the fact and effect?—A. He has given a statement of the company stores. Where I live there are cases where they have charged from 10 to 30 per cent. more for their goods than they did in individual stores.

Q. What pressure, if any, was brought to bear upon them to induce them to trade at company stores?—A. In some cases, as I have been informed, some of the officials of the company, such as foremen, etc., would state to their workmen, "If you will patronize me we will patronize you." Well, that meant if there was a good job they would receive it if they traded in the company stores.

Q. Did you understand if the man was trading at a store which was not a company store, and spending a considerable portion of his wages there, that it was so managed through the bosses that he was put upon a bad job?—A. It occurs. There is a fact that if you are working for the company and it happens so that you run behind on your accounts to the store, and you are working for the company—working as a miner—you will get more time.

Q. That is, you will be allowed to work more hours?—A. Yes, sir; that is overtime you will get.

Q. In order that you may pay up at the store?—A. If there are any who do not deal with the company stores, you are not sent after.

Q. Then it might inure to the men's benefit to get in debt at the company's stores?—A. It might.

Q. Is not this a fact, a poor man without credit (and of course without capital) commencing work could get credit at the stores of the company for which he is working, when he could not get it at an independent store?—A. I do not think he could, for he has a guaranty for what they give them. If I go to work for the company, I come here a stranger and I work two days; now, then, I can go to the company's store and they will give the equivalent for what I have done. Then they have pay for their goods.

Q. Will they advance if you need it, or let you draw five or six days up when you have done two days' work?—A. Yes; when they are acquainted with you they might, when it is without danger to themselves.

Q. But an independent store-keeper might do the same thing?—A. Certainly; we get credit from individual store-keepers.

Q. Now, is there any other matter connected with the management between the employers and the employés, or in relation to this strike, that occurs to you, that you wish to state or explain?—A. I believe I have gone over the ground.

By Mr. CHIPMAN:

Q. Do you know how much the output of coal in this region is, generally?—A. I can not give you an estimate, sir.

Q. Can not you give an estimate?—A. No, sir.

Q. Can you tell us whether the mines around here, where the strike has been, got out their usual quantity of coal last year?—A. I do not think they did.

Q. You think they are short in their output?—A. Yes, sir.

Q. Have you any idea how short they are?—A. I have not an idea.

Q. You have no idea how much coal they had on hand when the strike occurred?—A. No, sir.

By Mr. STONE:

Q. What company did you work for?—A. I worked for the Stout Coal Company.

Q. How many men did they have?—A. Probably they would employ 250 men all told.

Q. Do you know anything about the Lehigh Coal and Navigation Company?—A. No, sir.

Q. You know there is such a company?—A. Yes, sir.

Q. Where do they do their mining?—A. They have a portion of their mines in Schuylkill County, I think.

Q. Have they mines in this district?—A. I think they have some on the south side down here.

Q. The report of this inspector says that in 1886, in this district, they had 1,792 men at work?—A. The Lehigh Coal and Navigation Company?

Q. Yes; the Lehigh Coal and Navigation Company.—A. That is the Panther Creek Valley.

Q. I do not know about that.—A. It is known as the Panther Creek Valley, but it is included in the Lehigh region.

Q. I have here in my hands the report of Mr. Roderick, giving the names of operators and the number of men each employ, etc., in 1886.—A. This is attached to the Lehigh region; it is called the Panther Creek Valley.

Q. I see in the Philadelphia Record of yesterday an account of a report made by the directors of that company of the operations of the company for the past year. I thought probably you might be able to say something about some of the matters stated in this report. Now I find this statement among others in the summary contained in the newspaper of this report just made: "Miners' wages, the company claim, were not allowed to go as low as the basis would permit from September, 1884, to April, 1887, the men having been paid on the $4 basis when coal was below that figure, the wages having been advanced when the prices went above that figure."—A. When the basis was adopted in that section of the country, they mined coal by the ton and sold it to the company by the ton. Now they mine it by the yard and the company pays for it by the yard, and the basis is simply for day's wages.

Q. Now let me ask you this question. Have you been endeavoring to do regular work, all you could get to do, when you were working?—A. Yes, all I was able to; sometimes more.

Q. You have not endeavored to evade work?—A. No, sir.

Q. About how much per day did your wages last year average you?—A. I do not know under the circumstances. Unless I could give you the circumstances of the case I would not be justified in stating the amount I earned. I earned a great deal over the averge amount, consequently there are circumstances connected with it.

Q. What would be the average earnings of the miners?—A. The average wages of the miners in this Lehigh region is understood to be somewhere in the neighborhood of $30 a month, probably a little over; sometimes it varies.

Q. For how many days' work would that be?—A. Well, according to statements given in sometimes from the different collieries, they sometimes run as high as $2 and down as low as $1.31.

Q. From $1.31 to $2 a day?—A. And in some cases $2.25; sometimes it goes as high; it varies. You may have gone up one month and go back the next month.

Q. Here is this statement from this summary: "From January 1, 1886, to June 1, 1887, the period when the price of coal reached its highest, the miners averaged $2.72 a day, or about $720 a year." This is the Lehigh Coal and Navigation Company employés?—A. According to the statement made by the employés of that company, they did not come anywhere near that.

Q. Are there any employés of that company here in town?—A. Not that I know of. It is a distance off, probably 20 or 30 miles from here.

Q. Were these people in this strike?—A. Yes, sir.

Q. The men of this company went on the strike with the rest of you?—A. Yes, sir.

Q. Here is a further statement: "The report says that the company could not afford to pay higher wages, never having made more than 22½ cents a ton on its coal." Now, can you say anything in response to this statement?—A. I can say a little according to a statement made by a party who was employed by that company. It is a big vein of 32-foot thickness and 10 yards in width. Now, you gentlemen are good at figuring and you can very easily figure this out. If they receive $10 a yard, and they receive in other places $7 a yard, for cutting this coal, and 27 cubic feet of coal constituting a ton, now you can average how many tons of coal are in one yard of that 10 yards wide and 32 feet in thickness, and then you will get the result exactly as it is and see what amount it will come to. Of course my fingers are too well chopped up for figuring.

Q. You say that in that company the mining was done by the yard?—A. Yes, sir; at present it has been done by the yard, or at the time they ceased work.

Q. Can you explain briefly and clearly just what sort of a contract the miner makes with the operator when he mines by the yard?—A. He gets so much per yard in the breast.

Q. Well, here is a vein now, say from this point, and that is a yard; now, say it is 20 or 30 feet thick down that way, now here is a yard from here to here [illustrating on paper], do I understand you to say you measure a yard that way and a yard that way and make a square—A. (Interrupting.) No, no; I will show you this. Here is a vein here horizontal, and that starts here. Here is the starting point here in the breast; now, they work in here down to a width of 10 yards from this point to here. Well, now we work 10 yards wide and a yard in length; that constitutes a yard, and this a thickness of 32 feet.

The CHAIRMAN. So it is a varying quantity?

A. The vein runs 32 feet as the average; you have got to take the whole of that down.

By Mr. STONE:

Q. A yard each way of special thickness?—A. Yes, sir; it is a yard in here and then 10 in width, and then the thickness of the vein.

Q. Ten yards in front, 1 yard in, and 30 feet up—whatever thickness of the vein—that you call a yard?—A. Yes, sir; that the operators call a yard.

Q. What sort of a yard is it—a yard that is 30 feet one way and 3 feet in and 20 or 30 feet up—what sort of a yard is that?—A. That is what the operators call a yard, and these are the terms under which you make your agreement—10 yards, a yard in, and the thickness of the vein. This is the contract that the operators will give.

Q. And how much does he get for taking that out?—A. From $7 to $10.

Q. According to what?—A. According to the hardness of the place.

Q. The thickness of the vein would influence it?—A. No, sir; not there.

Q. Suppose a vein was 40 feet thick?—A. The same.

Q. Then he would get no more for taking out one of 10 feet or 40 feet high?—A. No, sir.

Q. Is that a more profitable way of mining; that contract system?—A. Undoubtedly.

Q. Then the miners who are working in that way would make more than the miners under the contract system; the same system you have here?—A. No, they would not make more there under the contract, but great work is there at that vein. When they start they work a month and make nothing because they have to leave the coal for future work.

Q. How do they manage to make $2.72, and the men here make $1 30. Why do you not do that way here?—A. Our veins are different.

Q. What did they strike for?—A. For an advance.

Q. If you had been making $2.72 up here, that would be more than the advance you struck for added to your present wages?—A. But we did not believe they made that amount according to our statement.

Q. Supposing that was true?—A. If they made that amount they were making a fair day's pay, but they were not making the amount the miners should have for the dangers and risks of gas, shots, etc.

Q. Still if you were to add to the wages you were getting in December the additional percentage you asked for, it would not more than make $2.72?—A. I do not think it would make that much.

Q. If these men were getting $2.72 a day, they were getting more than you asked for?—A. Yes, sir; they were getting more than we asked for.

Q. I want to ask you one other question; did you have pretty regular work through the year?—A. I guess I worked as much as the average of the men.

Q. Did the men, or you, work all they wanted to during the year?—A. No.

Q. How many days were you permitted to work out of three hundred and odd working days?—A. I could not give you a just estimate of the amount of days we worked.

Q. Your company does not seem to be in this book?—A. They should be in there somewhere.

Q. What did you call it?—A. The Stout Coal Company, Milnesville.

Q. The average days worked in this region for that year is stated at 221, or a little over two-thirds of the working days.—A. I suppose that would be about correct—the statement in there.

Q. Did you know whether you did not work more than that? Was it your own act, your own desire?—A. No, sir; the companies claimed that the market was not taking the output.

Q. Then the purpose of the company was to limit the output?—A. Yes, sir; the purpose of the company, I suppose.

Q. To limit the output by restricting the work?—A. It was that way sometime ago.

Q. How many days were you off from January, 1887, up to the strike?—A. I could not tell you, sir.

Q. Was there pretty full work between those dates?—A. I would hardly think we worked over two-thirds time.

Q. Well, after March to September, were you doing full work?—A. No, sir; we did not do full work hardly at any time.

Q. Was there a surplus of coal on hand at the time of this strike?—A. That I can not tell you.

Q. Was there any motive or could there have been on the part of the companies to induce this strike?—A. I could not tell you that.

Mr. PARKER. The coal is all cleaned up in this region now?

A. I think it is just now.

Mr. PARKER. Ready to go to work again?

TESTIMONY OF W. H. HINES.

W. H. HINES, sworn and examined.

By Mr. CHIPMAN:

Q. Where do you live?—A. Wilkes Barre.

Q. What is your business?—A. Attorney at law.

Q. Do you practice law at Wilkes Barre?—A. Yes, sir.

Q. Do you know anything about this mining strike?—A. I think I know a little of it; yes, sir.

Q. Do you know the origin of it?—A. Only from hearsay, from those with whom I have been in communication.

Q. Do you know anything about the system of leases which prevails in this Lehigh district?—A. Yes, sir.

Q. How are the leases made to the miners, in writing or verbally?—A. In writing generally, and I think altogether.

Q. Is there any form of leased used?—A. Yes, sir.

Q. How general?—A. Well, I think this form in this region is used pretty generally, altogether in the Lehigh region.

Q. Have you any of these leases with you?—A. Yes, sir; I made a copy to-day for the committee.

Q. Is it written or printed?—A. I made a copy. (Lease was read as follows:)

EXHIBIT 55.

This agreement of lease, made the 15th day of December, A. D. 1884, between J. S. Wentz, E. B. Leisenring, trading as J. S. Wentz & Co., party of the first part, and Pat Dunlay, party of the second part, witnesseth that the said party of the first part, in consideration of the rents and agreements hereinafter agreed to be paid and performed by the said party of the second part, doth hereby lease to the said party of the second part the following house and lot with the appurtenances, situate in the township of Foster, in the county of Luzerne, and State of Pennsylvania, bounded and described as follows:

House No. 50 with one-eighth acre of land or thereabouts. To have and to hold the said premises for the term and period of one month from the date hereof, and so on from month to month so long as the said lessee shall remain in the employ of the said J. S. Wentz & Co. and shall pay the rent as hereinafter stipulated, or until the said party of the first part shall give written notice to the said party of the second part to quit the premises, at least ten days before the expiration of any particular calendar month, which notice is hereby agreed to be sufficient for all legal purposes in lieu of any notice required by law, and may be personally served or left at the dwelling-house on the premises hereby leased: *Provided*, That the said term shall not extend beyond the time said J. S. Wentz & Co. may be entitled to the possession of said premises.

And the said party of the second part hereby agrees to pay to the said J. S. Wentz & Co. for the use of said premises the sum of $4 for each and every month he occupies the same, and that the same may be retained by the said J. S. Wentz & Co. out of any moneys due to the said party of the second part from the said party of the first part. And the said party of the second part further agrees that whenever he shall cease to work for, or shall be discharged from the service of, said J. S. Wentz & Co., or notice to him to quit the premises shall have been served as aforesaid, he will immediately surrender up to them the possession of said demanded premises, with the appurtenances; and in case he fails so to do within ten days after he shall have ceased to work for J. S. Wentz & Co., or shall have been discharged, or notice to him to quit the premises shall have been served as aforesaid, it shall be lawful for said J. S. Wentz & Co., or any person or persons by them so directed, to enter upon and dispossess the said party of the second part, and take possession of said premises, using such force as may be necessary for that purpose, and for so doing this lease and agreement shall be a sufficient warrant, authority, and justification.

Should the said J. S. Wentz & Co. prefer to resort to the ordinary legal process to obtain possession the giving of any previous notice for that purpose is hereby expressly waived, and the said party of the second part shall pay to the said J. S. Wentz & Co. all damages which may be done said premises by his act or neglect, and the same may be retained from his wages or from any moneys due to him from the said J. S. Wentz & Co.

ise shall not be assigned, nor shall any improvements the said party of the
rt may make upon the premises be sold by him, or applied in abatement of
shall said premises be underlet without the written consent of said J. S.
Co.
e said party of the second part hereby waives and relinquishes all rights
is to the benefits, provisions, and exemptions of the act entitled "An act to
roperty to the value of $300 from levy and sale on executions and distress
approved the 9th day of April, A. D. 1849, and the supplements thereto.
e following amicable action in ejectment is hereby made a part of this in-
as an additional security to the party of the first part, to enable the party
st part in case of arrears of rent, or in case of the party of the second part
o work for, or being discharged by, said party of the first part, to recover
e possession of the aforesaid premises, to wit:

"A."

In the Court of Common Pleas of Luzerne County.

ntz, E. B. Leisenring, }
g as J. S. Wentz & Co., } Amicable action in ejectment to ——— term, 18—,
r. } or any subsequent term.
——— ———. }

reby agreed that the above amicable action of ejectment be entered as of
n, A. D. 1884, or of any subsequent terms, for all that certain house and lot
situate in Foster Township, county of Luzerne, and State of Pennsylvania,
and described as follows: House and lot No. 50, in the village of Hazle Brook,
ania, said lot containing one-eighth acre of land or thereabouts, with ap-
ces.
e above-named defendant hereby confesses judgment in favor of the above-
laintiff in the above amicable action of ejectment for the land above de-
nd costs, and hereby authorizes the clerk of said court to enter judgment in
said plaintiffs of record on the above confession, with release of all arrears,
hout stay of execution. And the above-named defendant hereby further
at upon the filing in the office of the clerk of said court with this amicable
d the confession of judgment, or in any judgment that may have been en-
said confession, an affidavit of any agent or attorney of said plaintiff, setting
t said defendant is in arrears of rent due under the above lease for over five
that said defendant has ceased working for or has been discharged from the
ent of the said plaintiff, or has been notified to quit the said premises as
, a writ of habere facias possessionem, with clause of fi. fa. for costs, may
h issue on said judgment entered by virtue hereof, and be executed by the
said county, or his deputy, as fully and to the same effect as if there had
rdict in said case, and judgment thereon regularly entered in favor of said
the said defendant hereby waiving all objections or exceptions to such pro-

ted and delivered the day and year herein first above written.

J. S. Wentz,
E. B. Leisenring,
as
J. S. Wentz & Co.

his
Pat. x Dunlay.
mark.

ingsman.
Keller.

sed:) No. 46, June term, 1887.—Lease.—J. S. Wentz & Co. to Pat Dunlay,
No. 50; rent per month, $4. Dated December 15, 1884. Filed 13th May
abere facias possessionem, 21st June, 1887. Entered judgment, on within
action of ejectment, with confession of judgment.

Jas. M. Norris,
Prot.

Luzerne County, *ss:*

J. S. Wentz & Co.,
v.
Pat Dunlay.
} In Common Pleas, No. 46, June T., 1887.

Personally appeared Wm. Raught, who, being duly sworn, deposes that he is the agent for the said J. S. Wentz & Co., said plaintiffs. That the said Pat Dunlay is in arrears of rent due under the lease herewith filed of over five days; that said defendant has ceased to work for said plaintiffs, and been notified to leave said premises.

William Raught.

Sworn and subscribed before me the 13th day of May, A. D. 1887.

John T. L. Lahen,
Asst. Prot.

Q. Do you say this is the common form of the lease in use in this region?—A. Yes, in this region; for I am familiar with it. I believe that all the leases the company have are of that kind.

Q. I see there is a provision for ten days' notice to quit?—A. Yes, sir.

Q. You have, of course, in this State a statutory notice?—A. We have.

Q. What is your statutory notice in the case of tenants?—A. From the 1st of April to the 1st of September, under the law, the statutory notice is thirty days, and from the 1st of September to the 1st of April the statutory notice is ninety days.

Q. Is that in case of non-payment of rent, this statutory notice?—A. It is for non-payment or at the expiration of the term.

Q. Is the party entitled under your statute to notice at the expiration of the term?—A. Yes, sir; notice which is contained within the lease.

Q. Notice is contained within the lease?—A. Notice in the body of the lease that you accept this notice to quit at the end of the term of the lease.

Q. You do not mean to say that if a man rents a house for a year, and when that year is up, that by the terms of the lease itself any notice is required?—A. There is no notice required if accepted in the lease. If you do not, there is notice required.

Q. Then the sum and substance of it is, by that lease the parties instead of letting the law regulate the matter, they have agreed upon a time for themselves, to wit, ten days?—A. Yes, sir. I would like to explain here, at this point of my examination, the business of these leases of hundreds of these miners, for I have represented them during this strike in the Lehigh region, there is not a single instance where one of these leases has been read to the men, and the men virtually know nothing about them.

Q. When they sign them?—A. Yes, sir.

Q. You say they do not know what the leases are when they sign them. Well, have any of these leases been litigated?—A. Yes, sir.

Q. Has any court passed upon any clause in the leases?—A. Not really passed upon the clauses; there were other questions raised upon these leases which the court passed upon, but I do not understand they passed upon the clauses in the lease.

Q. Does your statute make provision for waiving notice to quit?—A. No, sir.

Q. It is simply left to the general law?—A. Yes, sir.

Q. Outside of the statute?—A. Yes, sir.

Q. Has any court held that a person has not the power to bind himself by an agreement of that kind, by the agreement contained in this lease?—A. I think so; there are several clauses in these leases which, I think, under the construction of the law of our supreme court, are nullified and can not stand the test of the law.

Q. Take that one in regard to the ten days' notice to quit.—A. I think the way they have it framed in the lease does not bind, of course it was their intention to bind a man, for this reason: We contend that when this ten days' notice is given at the end of the ten days contained in the lease, it is supposed to be the end of the term for which this agreement is received. It is a monthly letting. Now, the end of the month would be from the end of the day he signs the lease in the subsequent month. But they give this notice of ten days to quit the premises, and I believe, and our contention is, after the ten days notice is given that the end of the term has expired, that it then requires the statutory notice to be given the men before they can be ejected.

Q. In other words, I suppose your contention would be the ten days clause is part and parcel of the lease, and that in case of violation of that clause, as in case of the violation of the clause for paying rent, or any other violation of the lease, that the only method of putting an end to it would be the statutory method. That would be the only legal position you could possibly maintain in it. Then, on the other hand, your contention is that the parties have not power to substitute a specific time therein in lieu of the time fixed by the statute. Is not that the point of that?—A. Yes, sir; but we have what is called in our State "amicable action of ejection."

Q. Then this is the substance of this law matter?—A. Yes, sir.

Q. Have many of them been ejected?—A. Under these leases there were six or seven families ejected at Hazel Brook last summer.

Q. Have any been ejected since the strike?—A. There has been an effort on the part of these leases to use them in this region, but we have delayed them and transported the leases to the courts.

Q. How many of these amicable suits have been commenced of which you know?—A. They commenced two, and I think they gave notice. I have some notices here I think I might show you. They are notices to quit, for these men to go out two or three days from now, after the ten days allowed have expired.

Q. Who are the operators?—A. Pardee & Co. here.

Q. They have given notice?—A. Yes, sir.

Q. How generally?—A. I do not know. There are about a dozen in my possession now that have been sent to me.

Q. How long since that has been commenced?—A. Two or three days ago.

Q. They began sending these notices?—A. Yes, sir.

Q. Are there any other notices of that kind?—A. They served some notices about six or eight weeks ago; one or two, a couple or more. I do not know that they put them out.

Q. Has there been any general movement in that direction to evict people under these leases in this region?—A. All I know is from what the attorney for the company stated, that this rested in the Stout coal case, and if it was decided against the company, they were to evict all the men in the employ of the Stout Coal Company at Milnesville here. He gave me to understand it is their intention to evict these men; that is from the attorney of Pardee.

Q. They intended to enforce these leases and the power of eviction?—A. Yes, sir.

Q. Will you tell the committee about how many such tenants there are in the Lehigh region?—A. Outside the borough of Hazleton, with the exception of the borough of Freeland, I suppose the miners as a rule live in the company houses, but I can not give an estimate I suppose about 90 per cent. of the heads of families live in company houses. I think that would be a reasonable estimate.

Q. About how many heads of families are there?—A. I have not the data with me, but I should judge there would be 4,000 to 8,000 heads of families.

Q. All of whom are liable to eviction under this system?—A. Yes, sir.

Q. As a rule, can you tell us how long they have lived here?—A. Some of these workmen have lived here from twenty-five to thirty-five years. That is, a great majority of the men in this region, I believe, have lived here around the mines for a greater number of years and a greater extent than any other part of the anthracite coal region of Pennsylvania.

Q. Families born and raised here?—A. Yes, sir.

Q Which is largely the case?—A. Yes, sir.

Q. Do you know anything about any combination among the companies or operators to restrict the output of coal?—A. I only know it in a general way.

Q. What do you know? Tell us briefly.—A. I can not give you data, but I know these coal companies here, take at least the six great coal mining companies, Philadelphia and Reading, Lehigh Coal and Navigation Company, Susquehanna Coal Company, Delaware, Lackawanna and Western, Lehigh and Western Coal Company, and the Delaware and Hudson, there is no question but what these companies are in a combination. Their purpose is patent to everybody, and that is to regulate the price of the cost of mining coal, and at the same time to regulate the prices which the consumers are paying for the coal when mined.

Q. How is that achieved; by regulating the out put?—A. I will tell you. They regulate—I might state first the way they regulate the wages of the miners. At the time of the last strike in, 1871, I might mention one operator named Swayer, who owned a colliery close to the city of Wilkes Barre and with whom I have had conversations, told me that these companies got up all of this whereby to keep the miners under their control. As they opened about one-third of the mines opened, this was really necessary to supply the coal that was on the market, namely, that about that time they brought into these mining regions what is known in common parlance as pauper labor, Huns, Italians, and by these means having more coal drawn than required to supply the markets, and having a greater body of men around each mine than was required to mine the quanity of coal they needed, they therefore could regulate more easily the wages they paid their workmen, and at the same time regulate their time; that is, by running at one colliery fifteen days a mouth and then stopping it, and then at another colliery ten or fifteen days more. By this system they managed to keep the miner completely, in my estimation, and it is a fact, under subjection as regarding the number of hours and days they labored, and the wages they received for their labor.

Then in regard to the consumer they regulated it in the same way. For this reason, they take first the miner by the throat with one hand and the consumer by the throat with the other, because by not mining the quantity of coal their mines will produce, they just send to market about the quantity of coal that can be consumed at the prices they have fixed; or, in other words, take, say, twenty years ago, when we had a large number of individual operators in this country and others, there was always a large surplus of coal on hand in the markets, but these combinations they just let in a certain quantity of coal into the market that it may be taken at their figure, and in that way they regulated the price that the consumer paid for the coal that the miner mines, and regulated the wages of the miner and his time as well. In connection with this I took a little memorandum, while some of you gentlemen were asking Mr. Broderick a question, which comes in here. It was asked him whether the miner took the consumer into consideration before the strike; whether he thought that the consumer would be injured, and whether they were not in part injuring the consumer. Now, I wish to state to this committee, representing the miners as their counsel during the strike up to the present time, that you will notice that although coal has advanced from $1.50 to $1.80 and as high as $2.25, I understand since the Lehigh strike that the wages at these other collieries have not increased one cent. If the miners' wages have not increased, then you can see that by reason of these miners being idle here and stopping work here the cost is raised to the consumer, for the reason that the coal that the consumer purchases costs no more to mine to-day and to bring to market than coal mined last summer, when coal was cheaper. The miner gets precisely the same pay. The only way that can happen is that the railroad companies were taking advantage of the occasion to increase the price upon coal as going to market.

Q. Do you understand that there is any shortage of coal in the anthracite region?—A. Not until the 1st of January, there was really no shortage. I could explain why if the committee desire it. The miners in the Wyoming coal-fields, which is a country about 27 miles long and 3 miles wide, have worked at an average of three-fourths time, or a little over half time. Now, since the Lehigh strike, and more specially since the Schuylkill strike, these mines are operated at full time and they are running to their full capacity.

Q. That is the explanation we have had before, that these regions where there are no strikes have increased their output, and in that way there has been no appreciable reduction in the general output of anthracite coal. There has been as many tons of anthracite put out in the last year as the year before, and a little more, in spite of the strike. Now, you say you have reason to believe that there is this mining combination, and that you understand, first, the manner in which the output is regulated as to the quantity, and secondly, an understanding by which the men are kept in subordination, so that their wages can be kept and controlled in order they can not get away from here. Have you any other reason for saying so than that Mr. Sawyer told you so?—A. Yes, sir. My other reason is from investigation and study, by watching the coal markets, by watching the reports of our press, which are reliable, from time to time, of meetings of this combination, and the regulation of the coal traffic. For instance, they say such a company shall have so much, a certain percentage. This combination regulates the percentage each company shall mine each year, but previous to the last couple of years they did not have this Pennsylvania Company in the combination. This Pennsylvania Railroad Company owns mines in our region and also in the Schuylkill region back of Northumberland County. They got this company in. I was talking with one of the mining company who ought to be acquainted with this fact; they went into the combination only upon the express understanding that the quantity of coal they were to receive as their quota should be just as much as the previous year when they ran the mines full time without exception. They were the only coal company in the anthracite coal-fields of Pennsylvania for the last eight, ten, or twelve years that has worked steady time, the Pennsylvania, known as the Susquehanna Coal Company. By receiving in this company they say coal shall be so much this month, say 25 cents a ton more. These are public utterances undenied. It is only in this way we can get at it.

Q. You think these circumstances indicate and point to such a combination?—A. No question about it.

Q. I will ask you, as bearing upon your statement, how long you have lived in this coal region?—A. Twenty-seven years, and I was a miner, working in the mines fourteen years.

Q. You have been a miner yourself?—A. Yes, sir.

Q. Then you know practically something about mining. Now I will ask you if in your knowledge these operators and companies through here, with the exception of the company you have named, the Susquehanna Coal Company you called it—if they have put out all the coal they could?—A. The Philadelphia and Reading——

Q. I mean all the capacity they have?—A. You mean have they put out what capacity their mines will bear. No, sir; they have not, for they have their quota under the combine.

Q. Have you noticed and watched that?—A. Yes, sir.

Q. Do you think they could put out a great deal more?—A. I know they could put at out at least, from what I know of the region—and I know nearly every mine and colliery of the anthracite coal field and all through the country—they could very easily put out 30 to 40 per cent. more than they have put out if they worked the men they have full time and work their mines to their fullest capacity.

Q. You use the term "quota;" have you observed the amount got out by one company and that got out by another?—A. Yes, sir.

Q. How does it secure an average?—A. I do not know; it averages very fairly. You see the Philadelphia and Reading control almost half of the anthracite coal output. I suppose they control between 40 and 45 per cent., and these other companies they have to come into the combine. For instance, take the Lehigh Coal and Navigation Company; the Philadelphia and Reading could go ahead and give to that particular company in order to keep their quota up and at the same time decrease the quota of some of their brother members of the board.

Q. They are getting out something over 6,000,000 tons, and the whole output is 30,000,000, and it was large in relation to the different coal-fields. What I want to call your attention to is, you have operators here. Now you say here is Pardee & Sons, men who get out a certain quantity each year?—A. Yes, sir.

Q. That quantity you suppose to be based upon the general quota which is laid down by a great district among themselves; that of course must be subdivided among the individual operators, who will have a percentage of that output, and their share of percentage must be in the same proportion as the general companies, say between the Wyoming district and the Reading district and this district here. Now, what I want to get at is this; in comparison of the capacity, say, of Norris & Pardee—we will take them or any body else you choose—do they get out about the same amount comparatively? I do not mean actually, but the same amount comparatively?—A. Yes, sir; and here is the explanation I was going to offer. We have a great many individual operators, but these are controlled by this combine.

Q. I am trying to find out whether they get out their proportion of the quota, say, allotted to this district.—A. They are getting out, I suppose, but the combine regulates them, and there comes what I was go-

and I will follow it up. Nearly all these individual operators
d their coal to market. These go to work and prepare it and
heir coal in the cars to these larger coal companies who are in
ıation.
ı speaking about what they are getting out. The Reading
as I understand it, at one time had a proportion of something
· cent. Well, now, undoubtedly if that was the proportion
e proportion would be given here. Then Mr. Pardee, Mr. Nor-
the operators must get out on coal on that 18 per cent. basis.
nt to know if there are any indications of any such general rule
regard to the individual operators?—A. The only way I can
this, that you take a miner mining coal, and they regulate the
ıe so that they will not get out only a certain number of tons
ır per day, whatever the allowance may be in time. They
; we call an allowance.

Mr. PARKER:

you a Knight of Labor?—A. Yes, sir.
became a Knight of Labor before you became a lawyer?—A.

long have you been a Knight of Labor?—A. Since 1876; I
inually.
ou know what is the present membership of the Knights of
he United States and Canada at the present time?—A. Be-
,000 and 530,000.

e has been a falling off, then, instead of an increase during
ro years?—A. I do not really know that there has been any
There are a great many men who are not in good standing,
ll it. They take their number away from those who are in
ling.
not there been a strong sympathy between the railroad strike
ading Coal and Iron Company strike and the Lehigh strike?—
r.
understand that the Reading Railroad strike was precipitated
the disturbance between Mr. Coxe, a Lehigh operator, and
ıg of the Reading Railroad at Elizabethport, do you not?—
r.
that the Coal and Iron Company strike was induced, in part
y the Reading Railroad strike?—A. Yes, sir.
efore the Lehigh strike is intimately connected with the three
A. I do not know that I could answer that. I am satisfied
were the question.
ou see any probability that the Reading Railroad strike or
ron Company strike in the Schuylkill region would have oc-
here had been no strike in the Lehigh region?—A. I might
at I think the strike in the Reading region has been precipi-
he operators here. For instance, Mr. Coxe owns a very large
ıiladelphia and Reading stock. I think all things point to
-that these men here precipitated that strike there, thinking
ȝ strike here. That is in the mining region now, not the rail-
e.
ı there was a purpose to increase the pressure upon the coal
and consumers with a view to increase the probability of an
f wages to the miners?—A. I do not think I can answer that
y.

Q. Why not?—A. For this reason, that the pressure should be brought in this way. The pressure, as I understand it, was brought by these operators here and this Lehigh Coal and Navigation Company; the pressure was brought by them on the Philadelphia and Reading for the purpose of trying to force these men in who were out on strike here, because the greater portion of this support and subsistence for these men, which we received in this Lehigh region, came from the Schuylkill region, where the men were at work.

Q. Then you charge that the Reading Railroad managers had an interest in promoting the Schuylkill strike?—A. Yes, sir.

Q. Did not the Lehigh managers likewise have an interest in promoting the Lehigh strike?—A. No, sir; it was against their interest.

Q. Was it not the interest of the Lehigh operators, as they were situated in September last, to promote a strike in the Lehigh Valley and thus sell off their accumulated coal at a high price, and have the accumulation of anthracite coal cleaned out at good prices so that they could commence in the spring of 1888 a new business with empty boxes?—A. Yes, sir; for this reason, that you take the Philadelphia and Reading strike, under the rules and methods known to their combination, if the men were out on three months' strike, they would be very readily gainers, because if they are under combine, they would have to get their quota anyway, and now if everything was cleaned out, they would naturally get better prices for the coal than at the time when these mines were in full operation. That was their intention, I mean that they controlled such a large percentage of the output.

Q. From your situation in the Knights of Labor and representing a large number of these men, you have kept watch of this strike?—A. Yes, sir; for a great many years.

Q. The Tribune of Sunday, the 19th, says, "During the six weeks of the strike the company has lost nothing. In fact it has probably made money, for it had the season's coal pretty well mined down at tide-water before the trouble began, and owing to the aggrievances of the mining regions it was possible to raise the price of coal to fancy figures. In all probability, therefore, the Reading Company is better off than it would have been had the miners continued at work." Do you believe that to be a correct statement?—A. I believe that statement.

Q. Is it not a correct statement, also, that the people of the Lehigh Valley induced the strike?—A. Yes, sir; it is a correct statement.

Q. Taking that as the conclusion as to the two strikes, is it not a fact that the consumers have been largely taxed on account of these strikes? —A. Yes, sir.

By Mr. STONE:

Q. I see in the report of the Mining Inspector the names of a number of companies and individuals engaged in mining in this region, the Pardees, Coxe Bros., Lehigh Coal and Navigation Company, etc. Do you know to whom the land belongs on which these people are mining?—A. They belong largely to the companies. Quite a large portion of these lands are leased out by the owners on the tonnage system.

Q. Do you know whether the Lehigh Valley Railroad Company owns any of these mining lands?—A. Yes, sir; I know it.

Q. How largely is it an owner?—A. They are owner and controller of what is known as the Lehigh Valley Coal Company. They have assumed the name for their mining of the Lehigh Valley Coal Company, but virtually it is the Lehigh Railroad Company.

Q. Have you had occasion to examine to see whether Coxe Bros. &

Co., A. Pardee & Co., and Linderman, Skeer & Co. are operating on their own lands or as lessees?—A. Some of them are operating their own lands. For instance, Eckley B. Coxe; there may be some land he has leased. Linderman, Skeer & Co. I think, to a great extent, operate on leased land. J. S. Wentz & Co., I do not know what they do own. The Stout Coal Company, I believe, own their own land, and I think, taking Pardee, that he owns his own land; there may be a small strip he leases.

Q. Do you know whether Coxe Bros. & Co. is a partnership or corporation?—A. I think it is a partnership.

Q. A. Pardee & Co.?—A. Partnership.

Q. Then they are what you would term individual operators?—A. Yes, sir; on a pretty large scale.

Q. Do you know whether there is any connection between these people and the railroad companies other than that of shipper and carrier of freight?—A. Well, I think there is from my observation. I think that Coxe is a large owner, or was, and I think he is to-day, of Philadelphia and Reading stock. He was one of the directors for a number of years, and his interests are with the Philadelphia and Reading. Taking Pardee & Co., they have a large interest, if I am correctly informed, in the Lehigh Valley Railroad. I can not say now as to the others.

Q. I am asking your knowledge of these facts.—A. I can not give you any positive data or positive information, only as I have stated it. For instance, speaking of the Lehigh Valley Coal Company. That company I know. We have a great many suits, and we have to bring out the fact that the Lehigh Valley Railroad Company controls the mines, controls everything, pays the wages; the wages pass through the same office, the same paymaster, and all that kind of thing.

Q. You spoke a while ago of the time when there were large numbers of individual operators, and that then the yards and cars, etc., were all full?—A. Yes, sir.

Q. Were the prices of coal less then than now?—A. I should not be able to give you that without having data.

Q. What difference then would it make to the public—the consumers?—A. It would make this difference: For instance, at that period of coal mining in the anthracite coal-fields, they had a different system of regulating the market than to-day. At that time they would keep on pushing coal into the markets until every place was blockaded. They filled every car, every yard, and as fast as that coal was being consumed, and as you would take a scoop and shovel it along into a different bin, they would put it in a different place; but at the present time this coal does not go to market, so you could not, as it were, take a scoop and distribute it.

Q. Under the former arrangement the tendency was to depress prices, was it not?—A. Yes, sir.

Q. To cheapen coal?—A. It was in favor of the consumer; yes, sir.

Q. Did it also cheapen the wages to the miners?—A. No, sir; we had better pay than we have to-day.

Q. I understand you to say that when coal was cheaper to the consumer that the laboring people were receiving better pay?—A. Yes, sir; I know that myself as a positive fact.

Q. Do you know whether the operators were making any money in those days?—A. I know they were, for I can give an instance. For instance, an individual operator would pay the workmen good wages and run that operation, and inside of a couple of years he would open another, probably a few yards across from there. That was the very best indication that this man was making money when, instead of owning one coal-breaker, in two or three years he was owning two.

Q. What men are you now referring to?—A. I can refer you to several up in our region and I can refer you to Pardee and Coxe in this region. Every year they put in an additional breaker or two.

Q. You are not able just now to tell us the difference in the prices of coal then and now. Can you indicate the difference in wages then and now?—A. Yes, sir. I speak of the time there from 1870 to 1877. Since 1877 the men have been reduced I suppose about 25 per cent. on their wages from that time. And then again there is another thing that would come in connection with it, that the miner to-day is forced to do double work now for what he did at that time for a less price, in this way. For instance, they had a system here of enlarging the cars. For instance, a car was made to hold a ton and that car increased a ton and a half within few years while the price of that car did not increase.

Q. Did it decrease?—A. It did; this reduction took place. There were three reductions to my knowledge.

Q. Then he got less for mining a ton and a half than for mining a ton?—A. Yes, sir. Right at this point I would like to explain to you, sir. You take the price of coal to-day in the market. The quotation about a week ago was $6.80 for a ton of coal retail. Now, there is $6.80 a ton for that ton of coal charged to the consumer through the methods of combination among the wholesale dealers, and by the price being forced up by the transportation companies. For instance, the Philadelphia and Reading, in order to make up the losses by reason of this strike, if it had any losses at all, would increase the price of transportation of coal.

Q. You mean this present strike?—A. Yes, sir.

Q. Has there been an increase in the cost of transportation?—A. From some of the New York journals there was a statement to that effect. I do not know it myself, sir.

Q. You said that in your opinion there was a combination to regulate in some way, and in different ways, the output of the mines?—A. Yes, sir.

Q. Limiting it?—A. Yes, sir.

Q. I have before me here the report of Mr. Roderick, coal inspector for 1886, in which he says: "The total production of this district in the year 1886 was 5,333,518 tons, or a decrease of 202,025 tons as compared with the year 1885." You said that the mines were not worked to their full capacity. Where there was an annual production of 5,500,000 tons, if these mines had been worked to their fullest capacity, how much would that output have been increased?—A. I suppose it would have been increased, we may say, something over 2,000,000 tons.

Q. Would not working these mines at their full capacity cheapen the cost per ton?—A. Yes, sir; there is no question of it.

Q. Without decreasing the wages of the miners?—A. Yes, sir.

Q. By dividing the dead work in larger quantities of coal mined?—A. That would be one way, sir.

Q. Now as to the question of output again. This report says that the average number of days worked in 1886 in this region was 231. You call that about two-thirds time?—A. About that, sir.

Q. Would you expect the men to work full time under any circumstances?—A. Yes, sir.

Q. Could they physically afford to do it?—A. Yes, sir. You will understand, I will explain in this way. For instance, the miners say a full day's work is blowing so many yards of coal, that will be a full day's work, and a full day's work is loading a certain number of cars within a certain period of time, say, ten hours. Ten hours we call full time to the miner.

Q. Here is a statement in this report that probably you can throw some light upon:

> During the year 1886, A. Pardee & Co. had employed sixteen hundred and forty-eight men, and the average number of tons mined per employé was 329.7. For the same year Pardee Sons & Co.'s men mined 479.01 tons per man. For the same period Markle & Co. mined 511.02 tons per man, and for the same period the Upper Lehigh Company mined 561.03 tons per man.

Now, the last named company mined per man two-fifths times as much as the first named, and this appears all through this statement; why is that?—A. There can be two reasons to account for that: One reason can be the difference in the methods of mining and in the vein of coal. For instance, in some veins men will be able to do a little more than a man working for another company can mine in another vein of coal. That would be one reason. Another, in some of these places you have mentioned there may have been more worked in some places in order to cut these men down. For instance, they will work them double and treble in a place where one man should be put. There are the two ways. Then there is the difference in mining and the character and quality of the coal. Consequently it is by the methods adopted by the company and by the distribution of their men in the mine.

Q. Evidently the Upper Lehigh company men mine 365 tons to the man, and A. Pardee & Co.'s men mine 329 tons to the man; then the Upper Lehigh Coal company's men earn better wages?—A. Not necessarily. I can explain it in this way: For instance, we might take a mine, as I understand the methods of mining in this region, we have what we call pitching chambers. Now, during that year in one of the mines the men may be more largely at work in these chambers up to the vein and leaving less pitch in the breast, say at the Pardee mine. Under the mining you speak of at the Upper Lehigh, probably they may be working more, and the coal for pitching there can be taken out. That is, they can load any quantity of cars, and they can mine nearly as fast as they have cars to load it; and that varies more or less.

Q. You mean to say then that the men who mine, on an average, 325 tons made as much per day or per month as the men who mined 511 tons?—A. I could not answer that question; I am not familiar enough to know.

Q. If they did this the cost per ton was much greater to one man than another?—A. Yes, if those things I spoke of did not produce this effect you speak of. Those three things I refer to as what might bring it about.

Q. Did you say that the Philadelphia and Reading Coal and Iron Company controlled from 40 to 45 per cent. of the total anthracite output?—A. They make that estimate themselves. I have seen it quoted. That is, it does not come directly from their own mine, but by transportation, etc., they control that quantity, by their purchases from individuals at the mines, etc.

Q. Do you consider a miner is an expert?—A. To a great extent he is, sir.

Q. His work is expert work?—A. Yes, sir.

Q. Do you consider the work of a laborer in a mine as expert work?—A. Not necessarily so; no, sir.

Q. In your experience and knowledge, about what in the last year or so has been about the average earnings of the laborers?—A. I think if you take the mines as a whole the laborers would probably average about $30 a month.

Q. How does that compare with the earnings of other classes ot common labor?—A. It compares very favorably.

Q. Is it not in excess of the general average of what we denominate common labor?—A. I think not, sir. Good labor as average wages (it is cheap Hungarian labor forced in here) is paid outside $1.15 and $1.45 a day. Some of these Huns work for $1 and $1.10, but we could not compare their wages with the wages of an ordinary workman.

Q. Are you prepared from your knowledge of mining to furnish this committee with an itemized statement, that it may be filed in the record, of the cost per ton of mining coal in this region to the operator?—A. You mean the Lehigh region? Well, I think I can endeavor to do it; possibly from what information I have and what I can get.

Q. The wages here are predicated upon the basis of $5 at tide-water?—A. Yes, sir.

Q. Now, when the operator sells his coal for $5 at tide-water, I want to know what that coal has cost him, the items of cost from the mines to the cars, then the cost of transportation added, so that I may see the profit per ton. Can you furnish us a statement of that sort?—A. I think I can—as nearly correct as I can. I will not say it will be an exact statement; only for your information. I want to make a statement you may consider a very strange one to listen to. I want to tell you in our Wyoming coal region—I do not know so much about it here—our men, when coal was selling at $6.80, only make for this advance from 16 to 30 cents a ton. Now, you may want to know why they make that. I only want to give you figures, in order that you may understand why it is, when the price is $6.80, that this is not properly distributed between the employé, the transporter, the wholesale and the retail dealers. Take a car of coal in our region of, say, about 3 tons. For that the miner will get about 90 cents a car, or about 30 cents a ton. Out of that 30 cents a ton, then, he must pay his laborer for loading 13 cents. That leaves a balance net to him of 17 cents. Out of this 17 cents must come what is known in mining language as "dockage," which I will estimate at 2 per cent., which is a very low estimate. This 2 per cent. for dockage will leave the miner 15 cents. Then the miner has to pay for his powder, which costs the company a little over $1, and for which they charge the miner $2.75 or $3. It costs the miner for powder, oil, cotton, wear and tear, which, putting it at a very low estimate, of 3 cents a ton. That would leave the miner 12 cents a ton for that coal he mines in the Wyoming coal-field. Now, these figures will compare favorably, for I have seen the prices of the car, the quantity in the car, the percentage of docking, and the percentage for the powder, and all that kind of thing. So, therefore, you will notice that out of this $6.80, at which coal was selling last week at retail in the market, the miner gets 12 cents for the amount of work he did and undergoing all its dangers. It is dangerous work; it is severe work, and hard work.

Q. How much per day can a miner make at 12 cents a ton?—A. He is supposed to send out 7 cars, or 21 tons, as a full day's wages. Then one day's wages would be 12 times 21, but then you see he does not work every day in the month, until lately. He works half time and three-quarters time, and sometimes no time at all. When you estimate this, after taking full time, you might run in the neighborhood of $33 to $40 per month. Then, again, a man who did expensive work would run to $50, some do more, running to $60, but they are not general, I believe.

Q. I will ask you to prepare, as part of your testimony, such a statement as I have indicated and furnish it to the committee?—A. I will do so to the best of my ability, sir.

Q. You have been a great deal among miners, their homes?—A. Yes, sir.

Q. How do they live as a rule?—A. They live as a rule very poorly. Their diet is plain fare, and very plain at that. That is, there are seldom any luxuries, and in a great many cases their children are not as well provided for as they might be. I might give an instance of an investigation of which I have the testimony here. That is in the case of J. S. Wentz & Co. This company has a colliery out here on the mountain, right on the very top of the mountain, and the only road into that colliery, until I put a public road there very recently by the court, was a private road, and at the entrance of that road was a big sign up, "No trespassing permitted upon this road." Right in there is the company store. My investigation as attorney for these men proved that all the rough material, food, that this same company could not get rid of up the valley, was shipped into this place. I investigated the checks of these men as attorney for a good many. For three or four years at a time some of them never drew one cent in wages, and what was most astounding of all was that which came out in the court in a case tried against Wentz & Co. The evidence went to show in regard to this company that when the amount was $35, the company store bill was simply $37. When it was $60, the company took $69, and so on. It was almost always for a greater amount due the company. There is no question in this case, for I examined the checks for a great many miners there. That is a general rule.

Q. Do you mean to say that any other person selling meats or any supplies that the miners would want were not permitted to go in there to dispose of them?—A. No, sir; they were not permitted to enter upon the ground.

Q. How far were these miners from any other depot of supplies, except the company store?—A. I might say Hazelton is the nearest, and I suppose by the regular road here it is about 10 miles to Hazelton. It is nearly 10 miles to the nearest depot of supplies; therefore they have to take that or starve in there.

Q. Do you know whether persons traveling through the country and retailing supplies of this kind have been refused admittance?—A. Yes; and one of them arrested for trespassing and tried recently before a justice of the peace for going up the road.

Q. Is not that a very exceptional case?—A. Yes, sir; I do not know of any other case.

Q. Is not the instance you mention of the treatment of these people there exceptional, or is it common?—A. It is exceptional in the respect of its being a private road in there, but it is common as to the methods of these companies and the treatment of their workmen.

Q. Can you give us any more instances?—A. Yes, sir. I believe, on an average, from one hundred to three hundred suits against these companies all through these regions. In nearly every instance where there is a store operated by the company the men are charged higher figures and indirectly compelled to trade there or quit work. They have indirect means for compelling these miners.

Q. I have here in my hand a common business card of the Central Hotel, Hazleton, Pa., on the back of which I find a long list of places and names and distances, the whole being headed "total distances and company store buyers." They give the distances to various places from

Hazelton to Lattimer, Harleigh, Milnesville, etc.; with the name of the company store buyer at each place? For instance, "from Hazleton to Lattimer, D. L. Stein, store buyer, distance 3 miles." Are all these company men engaged in buying their store supplies to be sold to the miners?—A. They have either that, or they have a percentage of the profit with many through their offices. For instance, take the Susquehanna Coal Company at Nanticoke. I know to my knowledge their payroll runs nearly $100,000 a month in that borough alone; the company store is run by a man called Hildreth; I think his receipts run from $40,000 to $50,000 a month. On an investigation I had at one time of the store business there, they admitted that the company received a percentage for the trade they got through that store. For instance, the more trade the company could have worked in, the larger the business and the more they would get; I think it was 10 per cent. Now, to pay the company that percentage, they necessarily have to increase the price of their wares, whatever they may be. So that, in this region, there is another question which needs probing and letting daylight into—the condition of these men. There is every possible means resorted to by these companies, great and small, to take advantage of them.

By Mr. PARKER:

Q. I understand you gave the estimate the miner makes 12 cents per ton, or a daily earning of $2.52?—A. Yes, sir; if they work full time of ten hours.

Q. Well, you would call that fair wages, would you not?—A. Yes, sir.

Q. Liberal?—A. Fair wages.

Q. Now you speak in regard to the company charging for powder more than it cost in the market; was not that price when it was fixed offset against the amounts made by the miners, which were understood by him to be fair at the time the price was fixed?—A. No, sir; at the price powder was fixed, powder was higher than it is to-day by reason of competition. Like every other business, a greater number of powder manufacturers arose and powder decreased in price.

Q. Now, at the time that was fixed, was there not an amount given to the miner to offset it in his rate?—A. I do not know that I can recollect any. I would not say there was or not.

Q. Is it not a fact that if you reduce the charge for powder you would also have to reduce the allowance to him as a corresponding offset to it?—A. No, sir.

Q. Now you speak of these men being kept in debt at these stores. You do not mean there is anything that should make the company their creditors, do you?—A. Yes, sir, I do.

Q. Is it not a fact that the majority of mankind are in debt?—A. I am speaking now of company stores, that by reason of their higher charges and by reason of the large profits, the necessity to maintain it requires that these men shall be.

Q. Have you any reason to believe that the same men if they were at work farming, or any other work, would not be in debt at some store?—A. Of course a percentage of them would be, but not a great percentage.

Q. You said the men working under Wentz & Co. at one time were not receiving a cent in wages?—A. Were not receiving a penny in cash. I meant in cash.

Q. What is the central point of Panther Creek section, the business point?—A. I think Lansford.

. Is that a railroad point?—A. Yes, sir; a short distance from ıch Chunk.

By the CHAIRMAN:

. Please tell the committee what quantity of the coal lands in the igh region are actually owned by the Reading Railroad Company, ıe best of your knowledge.—A. Very little in the Lehigh, I imagine. ı not know in what we call the Lehigh region, unless at Foster; I do know of any.

. Who owns the bulk of the coal lands along this Lehigh Valley .road and tributary to it?—A. That is in the Lehigh region, or are speaking of the Wyoming?

. Including both, and particularly the Lehigh.—A. Coxe, Bros. & they own the great bulk, several thousand acres. Ario Pardee & s and the Stout Coal Company, at Milnesville, and others.

. We have had those names. I wish to know whether the railroad pany owns any of this land, and if so, what quantity?—A. I can say unless they control, as I have been informed, in connection with dee & Co. I could tell you up in our region.

. As a partner of Pardee & Co.?—A. Connected in some way or ·r.

. Do you think this railroad company has control of these lands as ee if not as owner of it?—A. I would not say this in this region. I ıd speak of the Wyoming, as far as the railroad is concerned

. Under your statutes in Pennsylvania you have three kinds of po- ; I may say four—your civil police for the county and State, your ıicipal police, and then you have railway police which has jurisdic- on the railroad, and then you have your Coal and Iron police. Now, e this strike, has there been any railroad police, or coal and iron po- in this region?—A. I do not know of any. I know there was ap- ation made for the appointment of a great many to Governor Beaver, I could not tell you positively of them. There were some appointed, I do not know how many. These are controlled, I think, by the ernor, who appoints the Coal and Iron police.

. You have had no riots here, notwithstanding you have had a very ; strike; there has been no occasion to appoint special police as has ı the case down in the Schuylkill region?—A. No, sir; no occasion ll. Our men are very quiet and orderly and law abiding.

ı answer to one question, I wish to say that I understand from the ı here that large bodies, a great many hundred acres of coal land in vicinity of Hazelton are owned and controlled by the Lehigh Val- Coal Company. For instance, where a man purchases land, the Le- ı Railroad Company makes a deed to this man, leaving a clause of ıal reservation" in the deed, so that they own this coal by reason of reservation being in the deed.

TESTIMONY OF THOMAS CAMPBELL.

HAZLETON, PA., *February* 24, 1888.

HOMAS CAMPBELL, sworn and examined.

By Mr. PARKER:

. Where do you reside?—A. Freeland.

. Where are you engaged in business?—A. In Freeland and Hazle-

Q. How long have you been so engaged?—A. Nearly eleven years in this town.

Q. How long in Freeland?—A. Not quite ten.

Q. What is your business?—A. General country store, groceries, liquors, furniture, provisions, feed, and flour.

Q. Have you heard at any time anything in the last few years of the prices charged by these company stores that have been mentioned for the articles sold by them?—A. Yes, sir.

Q. Including what character of goods?—A. Groceries and provisions.

Q. What have you found as to the profits charged to the miners and employés at these stores upon such goods?—A. Some ten or eleven years ago, I think it was in April, 1877, I procured a pass-book from a certain store in the neighborhood here, and I investigated and compared the prices with our own and I think I found the profits on those articles which I published in a letter.

Q. Tell us what you found?—A. One hundred and sixty per cent. over our prices. I think that was percentage that was on these articles which I published in the paper.

Q. You may state what was the nature of these articles.—A. It was so long ago I could not tell.

Q. Have you since made other investigations?—A. Yes, sir; some years ago there was a bill pending in Harrisburg providing for two weeks' pay.

Q. You mean by two weeks' pay that your miners should be paid every two weeks?—A. Yes, sir; they had been paid every four weeks before. I was anxious to facilitate the passage of the bill, and I got a wholesale price-list, from Philadelphia, I think it was, and I procured a pass-book from one of the miners, and I sent both to Harrisburg.

Q. Tell us what you found as to the comparative prices; how much profit on the wholesale prices were charged by the company stores?—A.—The bill at that time did not pass.

Q. No matter about the bill; tell us about the prices.—A. Afterwards I published a letter. I found 75 per cent. in this book I sent to Harrisburg. I found 75 per cent. profit on the goods.

Q. Have you examined other pass-books of other stores?—A. Occasionally.

Q. How did you find them as to the profits charged?—A. I do not think I ever examined exactly to look at that; I might find sometimes more and sometimes less.

Q. What were the rates charged, as near as you can tell, by the company stores as you found from your investigation?—A. I suppose 20 to 25 per cent. and in some cases 30 to 50 per cent. profit. The profits now are not so high as they have been in times past. I would like to tell here at this point. The morning on which I called for this pass-book—this man I suppose was getting a dollar or two, he was getting 25 cents according to the price—I found them making the morning meal off of potatoes. A strong man, 6 feet high, weighing probably 200 pounds, and I found that man supplying the morning meal off potatoes for breakfast. I think there was as much furniture in his house as you could carry in a wheelbarrow.

Q. Was he a man of good habits?—A. Yes, sir; a sober man. It is not easy to procure these pass-books. They do not want to get into trouble with the company.

Q. To the best of your knowledge what is the profit now charged, or during the past year, by the company stores in this vicinity?—A. I can not tell you now; some gets more, some gets less. Some stores are lower than others.

Q. Can you give us any percentage you would be willing to state would be an average percentage upon groceries for the past year?—A. I would not like to state, because I am not positive. If there should be a pass-book then I could see readily.

Q. Can you give a more definite answer?—A. I can not be definite about it.

By Mr. STONE:

Q. What is a biscuit?—A. Soda crackers.

Q. (Examining pass-book.) This one says "one biscuit;" that means one pound?—A. Yes, sir.

Q. Is this the book the miners take to the store and have their purchases entered in this book?—A. Yes, sir.

Q. This is during 1880?—A. I guess so, sir. I might state here that I have always looked upon the system of paying the miners their wages as the greatest source of evil and oppression to the miners.

Q. Why?—A. They were not paid full amount. They were paid in truck, in groceries, at 50 to 75 per cent. profit to the company, probably more and probably less.

Q. Are the prices charged miners now for such things as molasses, potatoes, etc., the same as it was then in 1880?—A. You mean did the prices really increase?

Q. Is it as high?—A. I do not think the prices are as high; but the goods are as high.

Q. It does not cost the miner as much?—A. No, sir.

Q. Are the profits made by the stores as great now as then?—A. Probably not; there is more competition in the business.

Q. Did I understand that you are keeping store?—A. Yes, sir; two stores.

Q. Where?—A. One in this town and one in Freeland.

Q. Not company stores?—A. No, sir; what we term cash stores.

Q. Well, take the present time, do you sell your goods cheaper than the company's stores?—A. I think so.

Q. Do you know so?—A. Well, I do not see the pass-books very often, therefore I could not tell.

By Mr. ANDERSON:

Q. About what is the price of butter?—A. Retail price?

Q. Yes, retail to the miners?—A. Well, 28 to 30 cents.

Q. Eggs?—A. About the same.

Q. Flour?—A. Well, flour is retailed at $2.50 to $2.70.

Q. How do they buy flour, in what quantity?—A. By the hundred pounds.

Q. What are the articles of food they mostly buy?—A. Flour, ham, butter, eggs.

Q. What do they pay for ham?—A. About 14 cents now.

Q. Do they use salt pork?—A. Yes, sir.

Q. What is that?—A. Bacon do you mean?

Q. I was thinking of bacon?—A. Selling at about 10 cents a pound.

Q. What do they pay for tea?—A. Fifty cents I suppose, and probably 75 cents.

Q. Sugar is about what?—A. White sugar about 8 cents.

TESTIMONY OF THOMAS A. BUCKLEY.

THOMAS A. BUCKLEY, sworn and examined:

By Mr. STONE:

Q. What is your name?—A. Thomas A. Buckley.

Q. Where do you live?—A. At Freeland.

Q. In this county?—A. In this county, sir.

Q. What is your age?—A. My age is forty-four years and five months.

Q. Are you a native of this country?—A. No, sir; I am a native of Wales.

Q. A citizen of the United States?—A. Yes, sir.

Q. Do you hold any official position under the State of Pennsylvania?—A. I hold the position of justice of the peace at the present time—since the second Tuesday of last May.

Q. What was your business?—A. A miner all my life-time. I did that both in this country and in the old.

Q. What, in your judgment, during the last few years, have been the average earnings of the miners?—A. Taking my own as a criterion to go by?

Q. I do not care how you estimate it.—A. I think the average earnings would be about $35 a month through the whole Lehigh region. I believe I am putting that at a very high estimate.

Q. How do you arrive at that result?—A. From taking the whole twelve months' earnings and taking the number of days worked and dividing it by the number of days worked. In 1871 I prepared a statement for an arbitration board, which met to settle a difficulty, and I took the number of days worked and the number of tons of coal mined, and it gave me an average of $3.81. That statement I have got.

Q. Per day, you mean?—A. Yes, at that time. That was in 1871, seventeen years ago.

Q. The average earnings of the miner were what?—A. $3.81.

Q. You mean net earnings?—A. The net earnings—what it cost the operator at that time; but it was nothing unusual at that time for a man to make $4 or $5 a day.

Q. How do the wages compare now with those?—A. They compare a long way down.

Q. What per cent.?—A. Take a laborer. At that time he was getting $2.50, to day $1.63.

Q. Then the cost per ton for mining coal was greater then than now?—A. Yes, sir; they have paid $6.80 per ton.

Q. The cost of production then was greater than now?—A. Yes, sir. The cost of powder then was $4 a keg; it is now $2.20. Oil was higher, and so on.

Q. How about the selling price of coal?—A. The selling price at that time was the $6.80 I spoke of.

Q. What is it now?—A. It is quoted at $4.86, as much as they can get, but they haven't got much of it.

Q. Then coal cost more at that time to produce it and it sold for more in the market?—A. Yes, sir.

Q. According to your statement the cost in the production then was about 33 per cent. greater then than now, and the selling price was about the same per cent. greater then than now?—A. Just about the same, I should judge. I estimate the cost of production to the miner; I am not speaking of the operator.

Q. I am talking about the operator.—A. I am not speaking about he operator. It cost so much per ton to mine the coal. I get so much er ton for the coal, and I take the cost for my own cost. The operator ays me a certain amount per ton, more or less; it cost so much, what paid the laborer so much; I paid so much for oil, cotton, powder, etc. he cost of production was higher than at the present time. If you ish me to illustrate more fully I will.

Q. Now, as to the operator, was the cost of production to him reater?—A. Yes, sir; of course he paid a higher scale of wages for oth outside and inside men, teamsters, etc., but he got more for the oal then than now.

Q. Did he make any more money then than now?—A. It is hard for e to tell what they made.

Q. There has been a reduction all along the line?—A. There has een.

Q. Would the reduction about sustain an equilibrium?—A. No, sir; t would fall very much on the miner. That I can say for a fact.

Q. I want to ask you this question: Do you know about the value f these coal lands?—A. No, sir; I do not know what value they have, s the cash value depends to a certain extent as to whether you wish to art with it or not. But I can tell you what they are assessed at by he board of county commissioners.

Q. What are they assessed at?—A. At $75 an acre, and the assess-ent is supposed to be assessed at one-fourth of the actual value.

Q. Land, then, is assessed suppository at one-fourth of its actual value?—A. Yes, sir; $75 an acre. That is, they pay an assessment subject to he different scales of the board, borough, township, etc., put upon hat $75. For the last twelve months, in the borough in which I reside, ur assessment was—each board of county commissioners have a right o levy and make an assessment. Now, the miner of Luzerne County as assessed as high as $100 a year. At the present time it is down o $70. In the adjoining counties of Schuylkill and Carbon the assess-ent is higher; in this county it is $70. In the borough in which I re-ide it was 63 mills, which, multiplied by $70, leaves us $4.41, which the iner had to pay; the laborer was assessed at $40—this was multiplied y 63 mills; and teamsters at $50, foreman $60, etc., and at the present ime I myself am assessed at $150.

Q. Justices of the peace are assessed at $150?—A. So I am worth a ttle over a miner.

Q. I have been told when a small lot of this land, assessed at $75 an cre, is sold to an individual, say two or three acres, then it is assessed t four or five times as much as it is in the hands of that operator. Is that rue or not?—A. I will explain that: Operators that own coal lands or ompanies who own coal lands—there is coal land on which coal is upposed to be, there is wild land from which they get their timber and mall wood—that is assessed at $50 an acre, and unproductive coal land s assessed at $10 an acre. I know that the Union Improvement Compa-y is assessed at $10. Coal has been proven there, and it is allowed to e, and it has not been opened. In the case where an opening is made nd coal mined it is assessed at $75 an acre.

By Mr. CHIPMAN:

Q. Are you a Knight of Labor?—A. Yes, sir.

Q. Are you in sympathy with this strike?—A. To a certain extent I m; I believe there has been cause for it.

Q. Would the men go to work now if the operators in this region would agree to pay the same wages as paid by competing companies in other regions?—A. By competing companies?

Q. Well, by companies in other regions, as the Reading and the Wyoming.—A. I believe, sir, that is the sense of a majority of the members, a majority of the miners. Some of them are too glad to get a chance to have the scale of prices paid up country compared with ours.

Q. Say in the Reading or Schuylkill system, would they be willing to go to work at those wages; they have gone to work under some arrangement?—A. I could not answer that question from the fact that I have not taken any active part in this. I have been a passive member.

Q. How long has it been since you worked in the mines?—A. The 27th of last March was my last day.

Q. Do you know who own the mining lands around here? Do you know anything about it?—A. Not the land; it is pretty hard to know that.

Q. You have the county records?—A. Yes, sir; the only way to ascertain that is to find out at the recorder's office every name that was recorded.

Q. Do you know whether the Lehigh Valley Railroad owns any land?—A. I do not know certainly whether they do or not.

By Mr. PARKER:

Q. Were you counseled as to this strike before it was ordered?—A. I was not at work, sir, at the time of this strike. I was at Washington at the time.

Q. What were you doing there?—A. I was on business.

Q. Connected with the order?—A. No, sir; connected with a beneficial order I belong to.

Q. Did you approve of the strike?—A. I must answer that I can not say I did. I think it was rather premature.

Q. Then you would not have voted in favor of it if you had been called upon?—A. I believe, and I am sure, that a majority of those who did vote were in favor of it. I let the majority of the members of the organization control it.

Q. Would you have approved of it if present at the time?—A. Yes, sir; I suppose I would.

Q. Then you think there was sufficient cause to require a strike?—A. I think there was sufficient cause.

Q. Upon the one question of wages?—A. Upon the one question of wages alone.

Q. How long previous to the strike were you here?—A. I have been here since 1866.

Q. But in September were you here?—A. No, sir.

Q. In August?—A. Yes, I was here on the 5th of September.

Q. Do you know whether this strike had the approval of the national executive board before it was made?—A. I do not.

Q. There have been in this locality about 15,000 men with their families supported by contributions from the order since about September.—A. I do not know the actual number, but there has been quite a number supported.

Q. Something like that number were engaged in the strike.—A. I suppose there has been that.

Q. And about the same number you understand in the Schuylkill region?—A. They have not been as long as we have.

Q. But since the 1st of January?—A. Yes, sir.

Q. And these men and families have been supported by outside contributions?—A. A great many of them have.

Q. If the producers of coal wished to reduce and limit the production of coal so as to clear out the amount on hand, the strikers by striking have rid the operators of paying wages and have had their men supported through this period by contributions of men who helped to produce the strike?—A. Yes, sir. I wish to say further as a cause which precipitated a great many strikes was the local imposition practiced on the men. One instance I have here which I will present to you.

Q. You may state it in your place.—A. On the 18th of June, 1885, at Jeddo collieries, the custom was to pay the wages out and give a check, and they had a copy and this was presented to each man for his signature.

Q. You may read it.—A. (The exhibit below was read.)

EXHIBIT 56.

JEDDO, PA., ——— ——, 188—.

I, the undersigned, ——— ———, an employé of G. B. Markle & Co., miners and shippers of coal at Jeddo, Pa., do hereby acknowledge that I have this day had and received from the said G. B. Markle & Co., the sum of $———, in full payment of all sums of money due me from said firm as wages, or otherwise, for the month of ———, 188—, and in settlement of all sums due me prior to and including said month, hereby ratifying and assenting to all deductions of any and every kind that the said G. B. Markle & Co. have at any time heretofore made from the amounts heretofore due me for wages, salary, or on any other account while in their employ. I acknowledge that the following is a correct statement and settlement of the balance due me, to wit:

Wages for the month of ——— ——, 188—, $———.

DEDUCTIONS.

Merchandise account	$......	Powder account	$......
Butcher's account	......	Blacksmithing	......
Rent account	......	Mine supplies	......
Church dues, etc	......	....	......
Physician's bill	......	....	......
Board bill	......	....	......
Teaming account	......		——
Coal account	......	Balance due me	......

In consideration of the premises, I do hereby consent that the said several sums shall be deducted from the amount due me as above stated, and paid to the several parties entitled thereto; and to this end I do hereby release, assign, transfer, and set over unto G. B. Markle & Co., and the several parties entitled thereto, such an amount of the wages due me as may be required to pay said bills and accounts as shown by the foregoing statement.

And whereas, it may occur that I am now and shall hereafter become indebted to the same or other parties on similar accounts while I remain in the employ of the said G. B. Markle & Co., I do hereby authorize and direct the said G. B. Markle & Co., to pay such accounts and bills for me and deduct the amounts so paid from all wages, salary, and sums of money now due or hereafter to become due to me, and to that end I do hereby release, assign, transfer, and set over unto the said G. B. Markle & Co., and to the several persons to whom such amounts may become due, so much of the wages or salary now due or that may at any time hereafter become due me from the said G. B. Markle & Co., as will suffice to pay said accounts.

Witness my hand and seal the day and year first above written.

——— ———. [L. S.]
——— ———. [L. S.]

In presence of:

——— ———.
——— ———.

A. (Continuing.) This precipitated the strike which lasted somewhere about six weeks and finally it was settled.

Q. I want to ask you this: If the items there referred to covered items of goods the man really owed and accounts which he should properly pay; there is no creditor's notice?—A. Yes, sir; in the last clause.

Q. Does he agree to pay other parties?—A. Yes, sir; he agrees in the bottom, I think, to pay any sums he may owe to other parties that may be put into the office, such as physician's bill, butcher's bill, or any other bill. That was the custom years ago.

Q. Suppose he honestly owed these amounts, should he not honestly pay them?—A. He should have the privilege of paying them himself.

Q. He would have the privilege of paying out of his earnings?—A. He would not in person.

Q. But he would pay it out of his earnings?—A. The men considered it objectionable and refused to sign it.

Q. I wish to ask you if they were items he honestly ought to pay there is no objection in paying them in that way?—A. I would see no objection, but I would rather pay my own bills.

Q. That is, the men would rather manage their own business, and they considered it was an imposition on their manhood somewhat?—A. That was it.

Q. That was the main point of it, was it not? That objection did not exist at the time of this strike and had nothing to do with it?—A. No, but a bill somewhat like it is still in existence.

By Mr. CHIPMAN:

Q. Was not their objection to the payments that it seems to leave it to the Markles to determine whether a man shall do a thing or not?—A. Yes, sir.

Q. Do you claim that is the meaning of that instrument?—A. That is the meaning of it.

Q. What was the date of that instrument; when was that used?—A. On the 18th of June, 1880.

Q. Is that instrument or one like it in use now?—A. There is one like it.

Q. Where was it in use?—A. At Highland, at Jeddo.

Q. By whom?—A. Markle & Co.

Q. Was it in use in other mines?—A. It was, I think.

Q. When did you leave their employ?—A. On the 18th of June, 1886.

Q. It was in force then?—A. Yes, this was in use then. No, sir; the men were never asked to sign after the strike.

Q. Do other operators do that?—A. I will state in justice to Markle it was not himself. It is dictated by an assistant. Mr. Markle had to bear the brunt of it.

By Mr. PARKER:

Q. Do you know of any instance where the managers of a company compelled any man to pay an item he did not honestly owe?—A. No, sir.

Q. What mine did you work in?—A. I worked in G. B. Markle & Co.'s One and Two, Freeland, for years.

By Mr. ANDERSON:

Q. Were you engaged in working for that company as a miner and simply engaged in mining coal?—A. Yes, sir.

Q. You did not employ the company to act as a guardian for you?—A. No, sir.

Q. If you saw fit to buy meat from a butcher and if he trusted you for it for $10, it is a debt between you and him?—A. It is a personal matter between us.

Q. It is none of the business of the company in the wide world to guarantee your debt to your butcher?—A. No, sir.

Q. As I understand you, you claim the rights of a man?—A. Yes, sir.

Mr. ANDERSON. I think you are right in objecting to that contract.

By the CHAIRMAN:

Q. What are the aggregate annual taxes in this county?—A. I could not answer that. I have not the commissioner's report for quite a number of years back.

Q. You could not tell from what sources the bulk of the taxation comes?—A. Yes, sir, I could.

Q. What is the leading item?—A. The leading item in the county?

Q. From what source does the county derive its heaviest item of revenue?—A. The tax to be applied for county purposes?

Q. Well, for all purposes, the annual aggregate tax. Does population pay it, does the land pay it, or the railroad pay it, or personal property pay it; from what source is the heaviest item of revenue?—A. In the first place the personal tax, it pays a tax of $70 per miner, $40 per laborer, and it pays for everything in the whole county with the exception of the State tax. There is another State tax on those who own personal property over $300, and there are a few who own pianos, organs, and such as that. The State tax is for personal property, mortgages, and money at interest.

Q. What about land?—A. There is no State tax on land.

Q. Any county tax on land?—A. There is a county tax of about 7 mills at the present time.

Q. Then it is the personal tax which is the chief source of revenue?—A. Yes, sir; and the tax on land.

Q. Which pays the most?—A. I judge the land pays the most. The personal tax would not amount to much—about 42 cents.

Q. About how many voters have you in the county?—A. I could not answer that question.

Q. What is about the average personal tax on each miner?—A. Four dollars.

Q. Four dollars for every head?—A. Yes; every head over twenty-one years of age. As I stated a little while ago, it was 63 mills. There is a mill for county, there is a half a mill for the sinking fund, 26 for school, and 6 for poor, and if you happen to own a cow you pay a tax at the rate of $10 for that cow; that is, assessed for $10 and you pay 63 cents a year for that cow. That tax is retained in the office but is not compulsory on the operator to deduct anything from it. The tax collector pays 2 per cent. for collecting that just for himself, in order to get it; but by special act of legislature, passed 1866, it compelled the taxes to be stopped in the offices of persons employing hands in the counties of Carbon and Luzerne, and when the Lackawanna was formed it carried there.

TESTIMONY OF ARIO PARDEE.

ARIO PARDEE, sworn and examined.

By Mr. STONE:

Q. What is your age?—I am in my seventy-eighth year.

Q. Where were you born?—A. In the State of New York.

Q. How long have you lived in this vicinity?—A. I came to Beaver

Meadow, about 4 miles from here, in 1873 as an engineer to make a survey for the Lehigh Valley Railroad.

Q. How long have you been engaged in the mining of anthracite coal?—A. As an operator forty-eight years. Before that for two years I was superintendent of the Hazelton Railroad and Coal Company, in charge of the mines, so that will make fifty years.

Q. The Hazelton Railroad and Coal Company, was that a corporation?—A. Yes, sir.

Q. What became of it?—A. It was merged into the Lehigh Valley.

Q. As an individual operator you have engaged in the business about forty-eight years?—A. Forty-eight years the 1st of January last.

Q. In the Lehigh region?—A. Yes.

Q. When you began here forty-eight years ago was there much mining being done at that time?—A. It was a comparatively small business compared with what it is now. I do not recall any amount of mining. I think the first year I worked as an operator we mined about 50,000 tons.

Q. Were you among the first operators here?—A. Yes; I was the first.

Q. You say the first year you began you mined something like 50,000 tons?—A. That is, as an operator; before that I was in charge as superintendent for the coal company, and I forget exactly the amount; but I think it was 30,000 tons the first year and about 40,000 the next, and when we commenced operating it ran up to 50,000 that year.

Q. What were these coal lands valued at then?—A. I can hardly answer that question. I never owned any coal lands here.

Q. You never owned any?—A. I do not own any coal lands in this region.

Q. Are you a lessee of the lands?—A. A lessee of the lands we are operating.

Q. Who is lessor?—A. Of this property here, the Lehigh Valley Railroad Company and the Cranberry estate.

Q. How much land have you leased?—A. It is nearly 3,000 acres; between 2,000 and 3,000; but it has not all got coal on it, that is the whole property.

Q. What proportion of that is the property of the Lehigh Valley Railroad Company?—A. About 2,000 acres. I speak in round numbers. I do not speak exactly by the book.

Q. Can you tell about how much land the Lehigh Valley Railroad Company owns in this region?—A. This property here is the only property that stands in the name of the Lehigh Valley Railroad Company. They have an interest in the coal land at Jeddo, but that is in the name of the Lehigh Valley Coal Company, I think, but I am not certain about that.

Q. You speak of the lands here; do you mean the lands you have leased?—A. Yes.

Q. Have you all of their lands leased?—A. That is in this neighborhood here.

Q. Where is Jeddo?—A. Jeddo is about 6 miles northeast of us.

Q. How much land there do you understand the company is interested in?—A. I could not tell you.

Q. Is it a large tract or a small one?—A. It is probably something over a thousand acres; it may be more than that. Well, there is considerable land outside of the coal region; there must be more than that.

Q. Something over 2,000 acres altogether?—A. Yes.

Q. Is there much coal mining there?—A. Yes; the firm name under which coal is mined is G. B. Markle & Co. The Lehigh Coal Company, they have their own, and another company they have an interest in leases.

Q. Is the Lehigh Coal Company incorporated?—A. The Lehigh Coal Company is an incorporation.

Q. Is that part and parcel, in some way, of the Lehigh Valley Railroad Company?—A. The railroad company, I think, own the whole stock.

Q. About the same relation then the two companies bear to each other as the Reading Coal and Iron Company and the Reading Railroad Company?—A. Something about the same. I am not familiar with these things.

Q. Do I understand you to say, on reflection, that the railroad and mining company, as the case may be, does not own land?—A. Not in that section. Part of them belong to the Union Improvement Company and part of them to the Highland Coal Company.

Q. Markle & Co. who are operating the land, are in some way connected with the Lehigh Valley Mining Company?—A. I am not certain whether it is interested. That is owned by the Lehigh Valley Coal Company, but I do not recollect whether they are interested.

Q. Well, the Highland Coal Company and Union Improvement Company, what are those companies?—A. They own lands and lease them.

Q. Are they corporations?—A. Yes, sir.

Q. Do you know who the incorporators are?—A. I do not.

Q. Are they connected in any way with the carrying company?—A. No; it has nothing to do with them. They are simply land owners.

Q. Well, has the Lehigh Valley Coal Company any other lands except those you have stated that you know of?—A. I know by reputation; if you want to find out about it you had better inquire of that company. They could tell you, and I can not. I do not want to guess about it, and you had better make inquiries directly at headquarters.

Q. If you will state this as a matter of general reputation we will be obliged to you?—A. As a matter of general reputation the Lehigh Valley Company have lands in the Wyoming valley and the Schuylkill valley.

Q. Coal lands?—A. Yes, coal lands.

Q. Now, do you know as a matter of fact, or as a matter of general reputation, whether any other railroad or carrying company, either by rail or by water, owns any coal lands in this region or controls them?—A. I do not know whether I could call them coal lands or not. The Pennsylvania Railroad Company owns a tract there which we think they were dreadfully cheated in when they bought it.

Q. About how much?—A. I do not know.

Q. Do you know what they paid for it?—A. No; I do not know what they paid for it.

Q. How do you think they were cheated?—A. From what common report says.

Q. Do you think they would be cheated if they paid anything for it?—A. No, for there is some timber on it. This is a matter, with all due respect, that seems to me does not concern what you came here to inquire about. I do not see the use of my answering frivolous questions, that can not in any possible way bear upon anything that you came here to inquire about.

Q. We are trying to ascertain the connection of the carrying companies with the coal companies.—A. Well, I have told you all I know about it.

Q. Will you tell the committee what royalty you pay the company?—A. I have no objection to doing that, although at the same time I do not think it is any of your business.

The CHAIRMAN. If you decline to answer we will put up another witness.

A. I do not decline to answer. We pay the Lehigh Valley Company 45 cents a ton.

By Mr. STONE:

Q. Do you know whether that is about the average royalty paid through this region?—A. I think it is somewhere between 40 and 45 cents.

Q. How many men have you in your employ mining or in connection with mining?—A. I should have to go to the office to see, for I do not carry it in my head. I suppose we would have, men and boys, considerably over a thousand, or rather we had before the strike.

Q. Can you tell the committee the cost of mining coal?—A. It varies very much in different places. I do not propose to enter into details in regard to that. That is private business.

The CHAIRMAN. If you decline to answer you can withdraw, and we will put up another witness.

A. I decline to answer what concerns my own private business.

Mr. STONE. Let me ask another question, and then you can exercise your pleasure about answering. Can you estimate approximately the cost to you per ton during the year 1886-'87 of mining your coal and loading upon the cars?

A. I should say in the neighborhood of $1.50 a ton.

The CHAIRMAN. Including royalty?

A. No, sir; exclusive of royalty.

Q. But including everything else connected with the mining?—A. It does not include freight to market; that is, at the breaker.

By Mr. STONE:

Q. Then carrying it to market is an additional cost?—A. Yes, sir; of tolls and the royalty. That does not make any allowance for interest on capital at all. Nothing but what might be called the actual wear and tear of the plant. Of course we have to keep things up every year, and we aim to make that pay for itself. We charge that against the cost of mining.

Q. I will ask you if you can state to the committee the items of cost making up that $1.50 a ton?—A. No, I can not do that. I could not without going to our books. I could there, but I could not testify to it, for I do not carry that in my head. There are too many items of expense constituting it. I can give you one item of expense contained in it, and that is we paid in cash to our men at regular pay days—that is, including any men that may have come in during the last year—$303,500 at the colleries where I am engaged. This is the regular pay-day expenses exclusively; that is in actual cash that was paid. I will give the amount of coal we mined during the year. We mined at Hazleton 345,550 tons. That was the coal sent to market. That does not include the coal furnished the town, which, of course, does bear a considerable proportion to it. We paid the hands in our employment $303,500 in cash at pay-day. That excludes goods sold to them in the store and their rents and stoppages of various kinds.

Q. The amount paid the labor for mining 345,550 tons of coal was $303,500?—A. I did not say that. I say we paid that much in cash. Then there were goods we furnished besides the rent.

Q. Did the cash represent as much as the supplies and rents and things of that sort?—A. Considerably more.

Q. Well, about what comparison to the $303,000 would the supplies and rents amount to?—A. That I can not speak of without looking at the books.

Q. Could you approximately?—A. I would not undertake to approximate it, because it would be merely guess work.

Q. According to your figuring, then, the labor is more than $1 per ton?—A. Certainly more.

Q. Do you think as much as $1.50 a ton?—A. No, for I have put the estimate of the whole cost of the coal at $1.50 a ton.

Q. Could you say, then, Mr. Pardee, from your general knowledge, about what proportion of the $1.50 per ton is represented by labor?—A. Well, it is all represented by labor.

Q. I mean what you pay.—A. No; it is not all represented by labor, for there are other expenses—repairing, etc. It is utterly impossible for me to divide these things for you. If you choose to have the books examined I have no objections at all, but it is utterly impossible to answer the questions in so much detail. I can only give you what in my judgment is the total.

The CHAIRMAN. What this committee is after is to ascertain what proportion of the price paid by the consumer for coal goes to the railroad company for freights. That is the purpose of the committee in trying to get, as I understand it, the items of cost to the miner.

By Mr. STONE:

Q. Could you do this to-day, as part of your testimony; furnish this committee with an itemized statement of the cost to you?—A. No, sir; I could not.

Q. Per ton of coal?—A. No, sir; it would take more labor than could be done in a month.

Q. Can you tell this committee about what the average wages of miners are in the Lehigh region?—A. I can tell you approximately in the Lehigh region. I had the wages made up for the months of July and August before the strike on our books. The amount that our men netted, after taking off all mining stoppages, that is, the usual mining expenses, was over $2 a day, and from my information I think that would hold good through the whole Lehigh region.

Q. You speak of miners?—A. Yes.

Q. What would be the average earnings of the inside laborers?—A That is a thing I do not think I have the data to give you.

Q. Well, the laborers generally?—A. The outside laborer got from $1 to $1.25 a day.

Q. Would the inside laborer be paid as well as the outside laborer?—A. He was paid higher. I am not sure but that I can give you an idea of that (examining papers). To what we call company hands the wages were $11.59 a week; when they furnish their own oil, $11.89. Laborers, $9.70 a week, those were company hands. Miners' laborers, the general wages were $9.11 a week, and we made it up; that would be a little over $1.50 a day. If that laborer buys his own oil it was $9.41. These were laborers in what we call breasts. Gangway laborers average $9.94 and $10.30. This is the only way I can get at it.

Q. You say, Mr. Pardee, after fifty years' experience in mining, that you are not prepared now to state to this committee the items of cost by which you conclude that the total cost of mining a ton of coal is

$1.50?—A. No, I can not. There are so many items enter into it that it is utterly impossible without taking it from the books.

Q. Well, you have had a strike up here since September?—A. Yes.

Q. Will you state to the committee the cause of the strike in the Lehigh region?—A. I suppose the cause of it was the operators would have nothing to do with the Knights of Labor and the leaders of the Amalgamated Union. I suppose that was the cause of it.

Q. You mean to say the men struck and refused to work because the operators would not have anything to do with their orders?—A. We would not negotiate with them at all.

Q. Did they want you to negotiate with them?—A. We had a demand made upon us by a committee.

Q. Did they make the demand upon you as Knights of Labor or as employés?—A. They made it; I will give you the demand they made in the first place.

Q. And that is dated August 17?—A. Yes.

Q. We have that.

Mr. Chipman. Let us have that. (See exhibit already in evidence.)

Mr. Stone. This is the same paper we have.

The Witness. We have been always willing to deal with our own employés, or a committee of our own employés, but we will not, and never will, deal with the officers of these associations.

Q. Before this written or printed demand was made, is it or not a fact that a committee composed of men representing the different collieries endeavored to negotiate with the operators as employés?—A. It is not true.

Q. You say it is not true?—A. It is not true; that is, I am very certain it is not true.

Q. Well, did the Knights of Labor and the members of the Amalgamated Association and Eccentric Engineers Association of the anthracite coal-fields compose the men who were negotiating as the employés of the operators?—A. There was but one man on that committee that pretended to work in this region, and that was James Broderick.

Q. Will you state, then, what objection you would have to conferring with your own men as Knights of Labor and as Amalgamated Association men, or any association of men whatever it is termed?—A. I claim they have no business between us and our men.

Q. Do you claim that the men have no right to organize?—A. No; I do not care how many they organize, and they can belong to as many as they please.

Q. Then, if you have no objection to their organizing into labor organizations, what objection have you to conferring with them in that capacity?—A. Because I look upon the leaders of the organizations as meddlers. It is not the miners themselves, but I look upon the leaders of these associations as mischievous rascals, stirring up mischief all through the country. Did you ever know a time when there was so many causeless strikes as since the Knights of Labor have obtained the power they have now?

Q. We do not want to argue the question, we want to hear your side.—A. This is part of my side.

Q. Now, I want to know if the men in fact did have cause to complain, would you object to confer with them?—A. No; not with our employés.

Q. Would you object to conferring with them, even if they came as representing some organized body?—A. I would not deal with them at all.

Q. Suppose the employés of these mines, in their various capacities, should organize; would you refuse to confer with them in that capacity?—A. I am not dealing with any organization or leaders of any organization.

Q. Do you know what the Miners' Amalgamated Association is?—A. No; I do not.

Q. Are they not all engaged in mining?—A. I can not tell you; I presume they are.

Q. The Eccentric Engineers' Association; are they connected with your mining?—A. I do not know. There is nothing of that kind among our mines.

Q. Well, suppose the association known as the Miners' Amalgamated Association, composed exclusively of your miners, should send representatives to you in behalf of the men, would you treat with them?—A. If they would come as our employés I would treat with them, but as representing an association I would not.

Q. Why not?—A. Simply because I would not. I have been on a chronic fight with these organizations. I commenced it in 1847.

Q. You are opposed to these organizations?—A. I am opposed to their interfering between me and my employés.

Q. After your employés are organized; now, do you object to your employés organizing with a view to advance their wages and protecting themselves in any way they see proper?—A. No more than I would have an objection to their joining the Methodist Church, the Episcopal Church, or any other, provided they do not interfere with me and my employés.

Q. If the Methodist Church should send a committee headed by the parson to you about the matter, would you not treat with them?—A. Yes, sir; certainly.

Q. If there should be no objection then to two or three gentlemen belonging to this organization, to the Methodist Church, and you were to see them, why would you not from other organizations?—A. If they came about their own business I would receive them, but if they came to interfere between me and my employés, I would not receive them. That is my answer.

Q. But they are your employés although they may belong to an organization. They come to treat with you about matters between you and them.—A. If they come as a committee of employés I would treat with them; if they come as a committee of an organization I would not treat with them.

Q. Then before you will treat with them they must come in their individual capacity?—A. In their individual capacity or as a committee of our own men and not as a committee of any association.

Q. Now, really, do you not think this is rather arbitrary?—A. It may be; perhaps I am an arbitrary man.

Q. Have you any objection to business men, operators in coal mines, railroads, and men engaged in great enterprises of that sort, combining for their mutual protection?—A. I am not a member of any organization of that kind and I do not know that I have any business with them.

Q. Is there any sort of understanding between the operators of this country, any concert of action between them?—A. There has been a concert of action in this matter of the strike.

Q. Then there is a combination of some sort between the operators?—A. You may call it an understanding or whatever you please. We are all of the same mind.

Q. I will ask another thing. At one time in this region of country, through all this anthracite region, there was some understanding as to the output of coal, was there not?—A. The understanding was to mine all the coal the market would take. If the market would not take it, we stopped mining.

Q. Your board decided the amount to be mined for a given period and distributed that among the various operators?—A. In a great measure, yes.

Q. Well, there was a combination to regulate the business?—A. There was always an understanding if the market would take more, more was to be mined.

Q. There was a combination to regulate the business and to a certain extent to regulate prices. Now, if the operators in this business, engaged in great enterprises, can combine for their protection in any capacity, what objection have you to the common laborers combining for their protection?—A. I have an objection, and the special objection, as I stated, to these associations, the Knights of Labor, the Miners' Amalgamated Union, if there is such an association, the Association of Eccentric Engineers—the objection I have is, that they have made more mischief than they can ever answer for.

Q. In what way have they made mischief?—A. By exaggeration, by lying, and misrepresentation. I will say right here that the bulk of the testimony, if the newspapers are correct, is a tissue of abominable lies, and there is no intelligent miner who listened to that who does not know it is so.

Q. You mean to say that the testimony given yesterday by Mr. Evans, Mr. Broderick, and Mr. Hines was incorrect, or as you say, abominable?—A. The bulk of it was incorrect. It had about as much truth, about the same proportion, as in the tavern bill of Falstaff: "Half a pennyworth of bread to two gallons of sack." There was about that proportion.

Q. This is one side of the story we heard yesterday. In what respect was it false?—A. I will tell you. Mr. Evans says that "people without immense capital were forced to subsist upon almost an impossibility." I think the fact I stated in regard to the amount of money shows that to be false.

Q. How many men did you state there were to whom you paid the $303,000?—A. I could not tell you how many. I suppose we have altogether over a thousand men and boys at work. He also says that the average earnings of miners is not over $30 a month. That is false. "The company selects doctors for the miners. This system is general around here." We make no collections at all except on written orders. We make no doctors' collections and we have not done it for years. In regard to the rent of houses, of course we charge rent for the houses, but there is not anything like what Evans says. I only know this, when any of our houses are empty we have a great many applicants for them. That charge is about one-half of what houses owned by individuals are rented for. The average amount they pay for the houses is $3.75, taking all of them, and where water is furnished by the water company, they pay for the water in addition, 34 cents a month. We have 502 houses. The highest amounts are, two houses rent for $6.50, one for $6.25, and the lowest is $2.17 per month.

Q. In what other respect is that testimony of Mr. Evans false?—A. He speaks of the cost of building houses. That is not correct. "It takes about 18 cents worth of powder to mine a car of coal." That is not correct. It does not take that much. He says that a fifth or a tenth is what is docked a man for too much dirt or too much slate. That is not correct. Here is given the price of mining coal and getting it to market, and here the grand total is $2.57½ on a ton of coal mined and shipped to tide-water when coal is selling at $5, the operator making $2.42½. That is not correct. As I said, it cost to mine and put it on the cars $1.50, and then we pay 45 cents royalty, and then we pay, I think the present rate of tolls is $1.80, and that of course far exceeds Mr. Evans's estimate.

Q. Any other respect?—A. He gives here the miner's expenses and brings the wages to $1.32 a day and $23.76 a month, and $30 a month as maximum. That is false, as the earnings of our miners show. He says there is less than a hundred at work in the mining regions. There are considerably over a thousand at work now. I will say certainly 1,500. Coxe Bros. & Co. have over 600 men at work and we have over 200 men and boys at work at the breakers at the mines. Then there are the men working for the Lehigh Coal Company. There are certainly 1,000 or 1,500 at work now.

Q. Have you completed the analysis?—A. He says July, August, and September are fair months of the year for the miner. I do not so understand it, and he certainly was mistaken. July is about the month with the least demand. The heaviest months are the months of April, generally in April and May, September and October and December. I can satisfy you of that by showing the amount of money we paid out for wages. In the month of April we paid out in the Hazleton collieries just $63,000 in cash. In the month of May $47,200, and $47,300 in June, and $53,800 in July, and $57,644 in August, and so on.

Mr. ANDERSON. The other months were smaller?

A. We came to the strike in September.

Q. Suppose there had not been a strike?—A. We would have done the most coal business of the year in September, October, and November.

By Mr. STONE:

Q. You say that when Evans says that $30 is the maximum wages earned that it is not a fact?—A. I say it is not a fact.

Q. Well, what is the average rate?—A. I say it is not a fact that that is the average.

Q. Is it greater than that?—A. Yes, it is greater than that. I tell you in my opinion the average wages of our men during the months of July and August were over $2 a day.

Q. How much would your men average during the year per month, giving it by month?—A. I would have to look at the books.

Q. Well, July and August were not especially active months?—A. They were quite active months, but not the most active of the year. The most active month was probably around April.

Q. When you say $2 a day, how many days' work does that contemplate?—A. We worked a little over 21 days in July and August; just 21 days each month.

Q. That would be $42 a month?—A. Yes, sir.

Q. Now, Mr. Pardee, let us go a little further into that and see who is right and who is wrong about it. How many men have you employed altogether about your mines?—A. I could not tell the number of miners. Their wages were made up in this way. Total number of miners in July was 373. In August the number was 394. These are the wages we made up.

Q. You stated a while ago you estimated about a thousand hands?—

A. That includes breaker hands, miners, laborers, and company's laborers, all that.

Q. Now does that embrace all the men you have in all your mines?—A. In all the mines of A. Pardee & Co. It is merely an estimate.

Q. Had you as many men in 1887 as in 1886?—A. I do not think it would vary very much, but I could not speak positively.

Q. I see from the report of 1886, of the mine inspector that A. Pardee & Co. had 1,648 men employed?—A. I did not make a very good guess then, I thought we had as many this year.

Q. Well, let us see, when was it you paid this $303,500?—A. It was in 1887.

Q. For eight months that was?—A. The bulk of it was for eight months. Of course we had to pay pump men. It was the total payment for the year in cash.

Q. And these 1,600 men and boys during the eight months were paid $303,500. That is about $24 a month?—A. That is exclusive of store bills, rents, and whatever was collected from them in that way.

Q. Well, I understood you to state the greater part was paid in cash?—A. I said the cash was the largest portion. Well, say it is the larger portion, and I think that was the fact.

Q. I tried to have you state when you stated you could not, about how much more, or about what per cent. more was paid in this other way?—A. You may take it in round numbers that the cost was $1.50 a ton, and we mined a little over 320,300 tons, and the amount paid in any way would be some 40 or 50 cents a ton.

Q. Let us figure at that just a moment. You mined during that time 345,550 tons. How much did that cost you in labor per ton?—A. Probably somewhere between $1.25 and $1.40.

Q. We will put it at $1.25?—A. I think the labor would be more than that.

Q. Let us have your judgment.—A. I can not speak by the book on that thing; the accounts are too complicated. We do not keep our accounts so that we divide these things at all, except as they are divided on the book. They are not divided at the end of the month.

Q. At least you might state what, in your judgment, it would amount to?—A. I have no doubt that it will amount to more than $1.25.

Q. Do you say $1.40?—A. No; I would think it would probably be $1.33; that would strike somewhere near it.

Q. That is a little over $33 a month at $1.33. You mined 345,550 tons of coal at a cost of $1.50 a ton, and you estimate that the labor was $1.33 per ton. ' That would amount to $460,716 paid for labor to be divided between 1,648 men?—A. You must recollect there are a great many boys employed, and a great many men who are not able to do a day's work, and who are paid at a lower rate of wages.

Q. Four hundred and sixty thousand seven hundred and sixteen dollars divided between 1,648 men, as I figure it, would average $339 each for eight months' work. Now divide it by 8 it would be about $42.50 to the hand?—A. But you are getting all out there. You are forgetting the fact the calculation is made on the basis of eight months, and you are on a basis of twelve months, when all these men sitting around here were on strike during four months and we were paying them nothing.

Q. Well, during 1887 you mined 345,550 tons, and you did it in eight months. Now, for mining this 345,550 tons, the amount paid for the labor was at the rate of $1.33 a ton. Now, if you paid at the rate of $1.33 a ton for 345,550 tons, you paid $460,716. That sum was to be divided between 1,648 men and would average $339, or about that, to each man. Now that was for eight months' work, and if the men received $339 for eight months' work, for one month's work he received one-eighth of that, or $42.50 per month. Now, do you mean to say that the men in your employ during the eight months of 1887—men, boys, and all—received on the average $42.50 per month ?—A. That would be according to your figuring; I did not make the figures.

Q. These figures are correct if the theory of the figuring is correct.—A. You must recollect that a great many of these men were paid higher wages—bosses, engineers, superintendents—they are all embraced in that catalogue of wages, every man we employed. You can not judge at all of what the miners get by the total amount. If you will just take the statement I gave you of the miners during the two months I made it up, I do not think the other months would vary perceptibly. We paid them over $2 a day.

Q. I will ask you again if, in your judgment, your employés, including bosses, have averaged $42.50 a month ?—A. Not for mining laborers and boys, but taking the whole number we pay wages to I should presume it might do that.

Q. The chairman seems to think I am mistaken. Now I want to see whether I am or not. I will repeat that question. You mined 345,550 tons of coal during eight months of last year ? A. Yes.

Q. You estimate that it cost you $1.50 a ton to mine it ?—A. That is the estimate.

Q. You estimated that of that $1.50 $1.33 went to labor ?—A. I thank it would be about that proportion. You are taking——

Q. I am taking your estimate. You estimated $1.33 went to labor ?—A. I may be correct or not.

Q. But you estimated it at that ?—A. I think it is not far out of the way.

Q. Then, if this is true, each ton costing in labor $1.33 a ton, you would get the amount paid for labor by multiplying the number of tons by $1.33, would you not ?—A. Yes; of course.

Q. Then you would get the average paid each hand by dividing that product by the number of hands ?—A. Yes.

Q. This would give you the total amount earned by each hand on the average during the eight months, would it not ?—A. Yes; it would.

Q. Then to get the amount earned each month you would divide that by the number of months ?—A. Yes.

Q. Then how am I wrong ?—A. That $1.33 covers the expenses during four months of idleness. Your foundation is not very solid when you are trying to build a superstructure upon that particular hypothesis, I guess.

Q. You say that Evans was wrong in what he said about the doctors ?—A. Yes, sir.

Q. You say he is wrong about that ?—A. He was wrong in saying that collections for the doctor were universal. It is not.

Q. Well, are doctors collected for in your mine ?—A. If the men subscribe for the doctor. A great many of our men pay the doctor themselves. We make no compulsory collections at all; every collection we make is voluntary.

Q. Do you have any understanding with the miners at the time of their employment as to the collection of the doctor's tax ?—A. No; they are perfectly free, just as much as you are, to pay or not to pay. If they say pay, we pay; if not, we do not pay. We collect occasionally for the Catholic church here. There is no compulsory collection at all; they are just as free as you are.

Q. What is the purpose of collecting this doctor's tax at all?—A. It is a matter of convenience to the doctor and it is a matter of convenience to the men.

Q. What is the purpose of having a company doctor?—A. We do not have a company doctor.

Q. Who makes the contract with the doctor?—A. We do not make any contract.

Q. How is the doctor paid?—A. He is paid by his fees.

Q. Is there a fund guarantied in this way?—A. No, it is paid by the men who subscribe to it. There are a dozen doctors in Hazleton, and if a man comes and asks us to pay a doctor so much we pay that much money, but there is no compulsory collection at all.

Q. Is there any such thing as monthly collections for the doctor?—A. Not in our office.

Q. Is there in any of these offices?—A. I do not know how that is; I do not think there is in many collieries any compulsion in it.

Q. Do I understand that the men may have any physician they choose, and then you retain the doctor's fees at their request as a mere individual assessment?—A. Yes; as a mere individual assessment.

Q. And that is the full extent of your connection with the doctor?—A. Yes, sir. When we first started in operation here forty-eight years ago, we made compulsory collections from every man in our employment for a doctor, which seemed to be necessary, for a doctor could not be maintained without it. When we got three or four physicians here, one man would subscribe perhaps for one doctor and get a little dissatisfied and subscribe to another. Then the men would make a row in the office and I stopped the whole thing. I said I would not collect for any of them except on written orders. We carried that out years and years. As soon as there was opposition among the doctors here we quit it.

Q. As to these rents, you say his statement in that respect is not true?—A. I showed you a table of our rents, you can judge for yourself.

Q. How much do these houses cost that rent on an average of $3.75 a month?—A. The better class of those houses cost about $900; that is, the two houses, say about $450 to $500 apiece.

Q. The houses then you rent for $3.50 per month?—A. No, sir; I did not say that. I say we rent such houses for—there is the table of rents (handing table of rents).

Q. I see some houses at $3.13 a month, about how much would a house that rents for that amount cost?—A. I suppose it would cost between $300 and $400.

Q. And the houses you rent for $6.50 a month, what would they cost?—A. Probably about $500 or $600.

Q. You say that when Mr. Evans calculates that powder costs 18 cents per car that he overstates it?—A. Yes, sir.

Q. How much does it cost per car for powder?—A. To do that I should have to find the number of kegs of powder we use and the number of cars of coal and divide it.

Q. Have you not divided it?—A. No.

Q. If you are not able to state how much it is, how can you say it is not true?—A. A man may know a thing is not so and not be able to state it.

Q. What is your judgment about, can not you approximate it?—A. would say it was about doubled in his estimate.

Q. He has put about twice as much?—A. As it really is.

Q. Now the company sells powder to the men?—A. Yes.

Q. Does not the company make a pretty large profit on that powder?— . They make a profit on it.

Q. About 150 per cent.?—A. No; I do not think they do; that is ther rough.

Q. I am not stating that as my own estimate; I am stating the tes- nony of others that it is about that. Now I am asking you if that is ue; I do not know anything about it.—A. No; I do not think it is. e price of powder is the same now as when the rate of wages was ed. We have not lowered the price of powder.

Q. Will you state to the committee what profit is ordinarily made?— . In old times we used to calculate to make 50 cents a keg.

Q. Would you say that the dockage fixed by Evans is too high?—A. es.

Q. At what per cent. would you fix that?—A. Well, not one-half of at. Not near one-half of what he estimates it.

Q. You say that the paper reports him as estimating it at one-fifth to e-tenth of the total output of the miner?—A. Where we take out two three hundred cars, at one-fifth, it would require forty cars to be cked in a day. I do not believe, taking it at the mines where we take t that much coal, it would not fully average five cars a day.

Q. Then you would take out probably five cars out of two hundred?— I do not think it would be more than that. I do not speak of it as a sitive fact; I do not speak by the book. I see you have Mr. Rod- ick here. When you come to examine him, you can ask him the estion; he is probably more familiar with it than I am. He is fa- liar with all mines; he is more intimately connected with the mines an I am.

Q. You stated that Mr. Evans's estimate of the cost of mining and ofit to the operator was false?—A. Yes; it is absolutely false.

Q. But you can not state the profit to the operator?—A. I gave you e figures and the cost of getting the coal to market, and I can give u the price at which coal sells, and you can make your own figures.

Q. Now, at what do you sell it?—A. I am just going to show you. ere is an account of the sale in the New York office for the week end- g September 10, 1887. That is the week before the strike. There as a very small amount of coal sold; the market was declining. ere was 134 tons of stove sold at $3.95, 149 tons of chestnut, same ice, 275 tons of stove, at $4, 650 tons of stove at $3.90, and 650 tons chestnut at $3.90.

Q. Then $3.75 you fix as the average cost of coal of all these differ- t qualities?—A. Three dollars and seventy-five cents it is.

Q. Now the cost to you?—A. You have got the figures there.

Q. I figured it at $3.75, $1.50 to get it on the cars, and $1.80 for ipping, and royalty 45 cents. Is that the average cost of the various alities of hard coal?—A. That is the cost of the whole.

Q. Is that the average selling price?—A. You will have to make the culation.

Q. Can not you state it?—A. The average selling price would be $3.95 d $4 for that week. You can see for yourself.

Q. Well, now, is this a fair exemplification of your sales?—A. These the sales in the New York market.

Q. Is it a fair exemplification of your sales during that year, 1887?—A. For coal that went to tide-water. I told you the price was declining at the time of the strike. Here are the sales, I think, for August the 27th or 30th, I do not know which.

Q. Do you think then your coal during the year 1887 would average about $4 a ton, sold at tide-water?—A. Probably somewhere in the neighborhood of that, but I think in the whole time it would not average quite as high as that. Take the statement of April 9, and see what that is. Here are sales for a week in April. This is about the same.

Q. Now, if that coal costs you $3.75 and you sold it on an average of about $4, you made 25 cents a ton?—A. That is pretty evident.

Q. Do you think that is about a fair estimate of the profit on coal during the year 1887?—A. For what we sent to tide-water, yes.

Q. What proportion of it did you send to tide-water?—A. That I could not tell you.

Q. Do you ship most of your coal from here to tide-water?—A. I suppose in the neighborhood of half.

Q. Well, the specific question I want to get at, without following it into all the details, is whether about 25 cents per ton is your estimate of profit made on coal during 1887?—A. I do not say that it is.

Q. Was it more or less?—A. That I can not say.

Q. You mean you would not say or can not say?—A. Well, I can not say; I would not say because I can not say.

Q. What do you think about it, whether it is more or less?—A. I do not think at all. I tell you where you can find out more about it; you get the reports of some of the coal companies who report their business and examine their profits of mining coal. Get the profits of the Lehigh Coal and Navigation Company.

By Mr. CHIPMAN:

Q. I will ask you how much your output of the Hazleton collieries was in 1886?—A. I do not remember; I can not carry it in my head.

Q. How much was the output compared with other years?—A. It was smaller this year, because we worked less time.

Q. How much smaller do you estimate?—A. We shipped from the collieries connected with A. Pardee & Co. in 1886 a little short of a million tons.

Q. How much did you ship in 1887, as nearly as you can estimate?—A. About 670,000 tons from all the collieries, not including the collieries worked at Lattimer, etc., in which I am a partner.

Q. If the men now on strike should go to work upon an agreement to take the wages paid in other districts of the anthracite region, would the operators in this district enter into such an agreement with them?—A. Not under the management of the Knights of Labor or the Amalgamated Union.

Q. Then you will not take your own terms at the hands of the Knights of Labor?—A. No; we will not give them foothold. I would like to refer a little here to what I believe was testified by Mr. Hines in regard to notices served by A. Pardee. He testified he was told by our attorney that we were prepared to make what you might call a general eviction. I do not believe a word of that. I think Mr. Palmer, who is an attorney at law and acts as our counsel, has more sense than to tell him what he had no authority to tell him. We have only notified men to leave our houses who were threatening the men who were at work and trying to intimidate them, and every man I find who has done that I will fire him out quicker than if he were loaded with dynamite. But to undertake any general evictions, we expect a great many to go to work, and we are a good deal in the position of the old Quaker with his ox, Golden. He got out of patience and said, "Go to hell, Golden," but he said, "Come back again, for we can not do without thee." If we did that we would be in that position of the old Quaker.

By the CHAIRMAN:

Q. Suppose a committee of miners, in their private capacity as representatives of their brother miners, were to propose to you and other operators in the Lehigh region to go to work upon the same basis of compensation that is now paid in the Schuylkill and Wyoming regions, would you permit them to do it?—A. No, sir.

Q. I understood you to say you would unless they approached you representing an organization of labor?—A. We say, you can go to work on the same terms you went out on, and on no other terms.

Mr. PARKER. Do you mean to say you would insist upon keeping their wages at the old rate for all time?

A. No, they would vary just as we do with the prices of coal. If there are any individual grievances we are ready to hear and rectify them.

Q. Do you mean to indicate that you will not negotiate as to any change of price until they go to work?—A. Not until they went to work. Then if there are any grievances we will take them up.

By Mr. ANDERSON:

Q. I would like to know something about the manner in which coal is carried from here to its market. What lines of railroad carry coal from the Lehigh region to the market from this point?—A. From our mines coal is all carried to the market by the Lehigh Railroad.

Q. What other railroads transport coal from these mines besides the Lehigh Railroad?—A. The New Jersey Central and the Pennsylvania Railroad.

Q. Have you any idea from general knowledge of about the percentage of coal from the Lehigh region which goes by the Pennsylvania and the Jersey Central?—A. It would be merely a guess, for I could not make it. The bulk of the coal from this region goes by the Lehigh Valley.

Q. There was another question I would like to ask: This Lehigh Railroad derived its charter from the legislature of Pennsylvania?—A. Yes.

Q. And is to that extent a public body?—A. Of course.

Q. It is quite different from a co partnership between two individuals?—A. Oh, yes.

Q. Can you tell me who are the largest owners of the stock of the Lehigh Railroad?—A. Well, the largest interest is owned by the representatives of the Packer estate. It has been distributed out since he died, but Mr. Packer owned the largest interest in the Lehigh Railroad.

Q. Can you state about the proportion of that interest?—A. No.

Q. Who represents that estate?—A. It is represented by trustees.

Q. Can you give us the names of those trustees?—A. E. P. Wilbur, Bethlehem; he is president of the Lehigh Railroad. Robert H. Sayer is another, at Bethlehem. Doctor Lamberton is another, and A. J. Blackley is another.

Q. Do you know from general reputation whether this estate practically controls the stock of the road and the management of the road?—A. I think they virtually control it. They have the largest interests though not half the stock, but they have so large an interest that whatever way they vote I understand it is so done. There are a number of stockholders in the Lehigh Valley Railroad, and I could not tell you anything about it.

Q. What I wanted to get at was, what party or parties practically controlled the road and its management, that was all.—A. I do not say the Packer estate actually controls the road, but it holds the balance of power.

Q. Can you state from general observation whether this Packer estate is also owner of the coal lands under the firm of the Lehigh Valley Coal Company?—A. They have nothing to do with the Lehigh Coal Company.

Q. Have they any of its stock?—A. I do not know anything about it.

Q. Can you tell who has the controlling interest of the Reading Railroad—by whom it is owned?—A. I do not know. I know less about that than you probably do.

Q. I did not know but that you had been here so long I thought probably you might know from outside rumor?—A. No; I do not know.

Q. Do you yourself own any Lehigh Valley Railroad stock?—A. I have a small interest in it.

Q. Can you tell what rate on coal per ton is charged from Hazelton to tide-water, or wherever you delivered it? Where do you deliver it?—A. We deliver it at a great many points; some goes to Philadelphia, some to New York, and a great many points.

Q. Does it go to Jersey City over the railroad?—A. Yes.

Q. Does any go to Elizabethport?—A. Not of our coal.

Q. Can you give the freight rates per ton from here to Jersey City?—A. No; I can not.

Q. You have, of course, a general idea?—A. I think it is $1.80. The reason I do not know is that we do not pay the bills here. Our accounts are settled in the Philadelphia office.

Q. Do you, from general information, know whether the same rate is charged from Hazleton as from other points, say Penn Haven?—A. There is no coal mined at Penn Haven; that is not a shipping point.

Q. What is the most easterly shipping point from here?—A. Well, it is the Beaver Meadow Basin.

Q. How far is that from here?—A. Four miles. The coal shipped from the Lehigh region, from the Mahanoy region, Beaver Meadow region, and Hazleton region all comes together; and so does the coal, I think, of the Wyoming region shipped over the Lehigh road—comes together at Penn Haven Junction.

Q. And the same rate is charged at Penn Haven as here?—A. No; there is a rate of lateral tolls from the mines to Mauch Chunk, and from there to distribution; but I can not tell you. The coal that goes to tide is charged from the mines.

Q. Can you tell me, Mr. Pardee, whether any coal is sold here to the railroad company?—A. We furnish them some coal for their own supply.

Q. Do you mean by that for their engines?—A. And their shops.

Q. Is coal sold for any other purpose than that?—A. Not that I know of.

Q. Has the Pennsylvania Railroad a line to Penn Haven?—A. No.

Q. Has it any line in the Lehigh region?—A. It goes into what is considered the Lehigh region. It goes in by way of the Susquehanna.

Q. At what points does it strike this region?—A. At Tomhicken, which is a junction between the Pennsylvania and the Lehigh Valley.

Q. Do you know whether the Reading Railroad touches any points in the Lehigh region?—A. They have a connection by the way of the old Catawissa road to some point in the Beaver Meadow Basin.

Q. Do you know whether there is any competition between these roads for coal; are their charges the same?—A. I believe they are nearly the same, because neither railroad would allow the other railroad to charge less than they do.

Q. You think the rates are about $1.80; how long have they been that?—A. Since some time in the early part of this season.

Q. What were they before that time?—A. I think it was about $1.85.

Q. Do you know how long that $1.85 had been maintained?—A. No.

Q. Do you know what the rate of freight was three years ago?—A. No; I could not tell you; but I might possibly find it in our office by hunting up some old papers. As I told you, we do not settle these tolls bills in our office at Hazleton; they all go to Philadelphia, so I know comparatively little about it. We do not pay any bills here.

TESTIMONY OF CALVIN PARDEE.

CALVIN PARDEE, sworn and examined.

By Mr. PARKER:

Q. Do you reside in this vicinity?—A. No; I reside at Stockton.

Q. Are you familiar with the coal business in this vicinity?—A. I know something about it.

Q. Can you tell the points of distribution of the coal mined in this region generally?—A. I do not know that I quite catch your question.

Q. The points of distribution to the consumers.—A. There are virtually three railroads in this region—the New Jersey Central system, the Lehigh Valley, and the Pennsylvania.

Q. And the coal mined in this region is distributed over these mainly, and to what States?—A. I suppose it goes into nearly every State in the Union.

Q. Can you tell us definitely the freights from Penn Haven to tidewater?—A. I can not; it is a branch of business over which I have no supervision at all. I could get these for you, undoubtedly, because we have freight certificates; I think some of them are in A. Pardee & Co.'s office. Freights are matters with which I have nothing to do.

Q. Are you familiar with the cost of mining at this point?—A. I know something about it.

Q. What is the total cost of mining a ton of coal and putting it upon the cars at the breaker, ready for shipment?—A. It will vary at every breaker in this region.

Q. Give us the different prices?—A. I could not do that.

Q. Give us some of them?—A. I think my father's estimate of $1.50 a ton would be a fair rate. At some collieries it will be more than that and some less than that, but I think that was a very fair estimate.

Q. You think that is a fair average rate in this region?—A. I think so.

Q. That is exclusive of royalty?—A. Yes, sir.

Q. Now, we have had some statements made as to the cost of powder; will you explain what your position is upon that?—A. My impression is there are fifty if not sixty tons of coal produced in this region for every keg of powder used. It may be a little more than sixty and I am certain it is not under fifty, consequently if the prices Mr Evans stated as being charged for powder is correct, the cost would not be much over 5 cents a ton.

Q. The special grievance complained of is that the operators buy their powder at one price and sell it to the miners at a greatly enhanced price, thus making a great profit to the operator upon the powder sold to the miners.—A. The operator certainly has made some money on the powder, but there have been times when he sold powder for less than cost. For instance, in 1875 there was an arrangement of wages under which they were working in this region, and I do not think there has been any change in the price of powder in that time. This was taken into consideration when the arrangement was made with the men.

Q. Was there any corresponding allowance made to the men to offset the balance of charge for powder at that time?—A. The price paid the men at that time was intended to cover that. There are cases I may say I know, where the men have difficult places to work, and where they use more powder extra allowances are made, over and above what he was getting.

Q. There have been complaints made also in relation to the docking, that the docking of coal was done by the agents of operators and men who had no interest in common with the miners, and it often happens that the docking has been unfair to the miners, while the men who do the docking, their interest, being representatives of the operators, is to work for their interests against the miner?—A. I think in a case of that kind a man put in that position is more apt to favor the miner than the operator, because he has got many to complain in one case and in the other case he has only got one. I think, if any, the docking bosses favor the miner rather than the operator.

Q. Take a boss in a position where he saw fit to punish the man and serve his employer, he can do so without the miner being able to help himself?—A. No, he could not, because at the collieries with which I am familiar there is a law in regard to dockage, and every man knows exactly what he has been docked and why he is docked. If there is any fault to find he has an opportunity of making complaint. So I do not think it is hardly a plausible case.

Q. Will you explain the action and the effect of the company stores as they are used by the miners?—A. I have no interest in the firm of A. Pardee & Co. I was for twenty years their superintendent; I am not now. I am interested in mining, however, and looking after the management of other collieries. Here is a store, say here. There are probably in this town, I do not know how many, but a great many other stores. The men of A. Pardee & Co. are free to deal wherever they please, and they sell more goods than we do outside where we have no competition.

Q. Is it not and has it not been the case where men were charged exorbitant rates by the company stores because they were in the hands of the companies and the men were probably compelled to trade there?—A. I think not generally as a rule. There may have been exceptional cases, but I think not as a rule. I think the quality of the goods has a great deal to do with the prices. He may find some stores that will sell cheaper than others in this region, but when you take the quality into consideration, I think you will find the prices in the company stores are not much, if any, higher than they are in the cash stores. I gave this illustration there, that no man can say he is forced to deal with A. Pardee & Co., when in this town they sell more goods than we do outside.

Q. What can you tell us of the arrangement limiting the production so as to obstruct the market?—A. I can not state anything except in a general way. I am under the impression, of course, that in some way the matter has been controlled. I understand the arrangement, or whatever it was, was simply to limit or restrict the amount to the wants of the market.

Q. As necessary, then, to that arrangement, an allotment to the different mines and collieries would follow?—A. I think so.

Q. Consequently there exists an arrangement for limiting the output of coal and allotting the amount allowed to be put out?—A. I do not know there is. I simply have an idea of my own.

Q. From the movement of the business you judge that to be a fact?—A. It is one of those things—I really can not answer your question, I really do not know.

Q. You believe it to be so?—A. I would have to qualify my statement somewhat by that. I believe that the market was in such a condition that the coal did not go forward, but that was not the case, I do not think, in the past year, unless it was in the early part of the year. I do not believe there was much coal withheld, if any, from last year.

Q. But previously there has been?—A. It was, I think.

Q. That was not withheld by accident?—A. No, I think not; but as I say, I do not know.

Q. As I understood the statement of the last witness, the prices for coal were going down in July, August, and September last?—A. Yes, sir.

Q. There was a large stock on hand?—A. No, sir; not very large; nothing more than the usual amount.

Q. What was the cause of the depression in price, then?—A. I suppose because the supply was beginning to exceed the demand a little.

Q. When the supply was beginning to exceed the demand, was it any special injury to the company to have the men stop work for awhile and clean up all the coal bins and coal-sales places at tide-water throughout the country?—A. Probably, if there had been a general stoppage; but it is much easier for a man to regulate his own business than any one else. I think it better that the operator should regulate that than the men.

Q. Can you give the estimate of the amount of coal in the Lehigh region on the 10th of September?—A. I presume it was a very small amount. There are statements published by John H. Jones, an accountant in Philadelphia, which are published, and which will give you the statement of coal on hand at tidal points in any month of the year. You can get this without any trouble; probably my father has this statement. It does not separate the Lehigh from the Schuylkill and Wyoming regions.

Q. But a general estimate?—A. The amount of coal is comparatively small. A. Pardee & Co. had from fifteen to twenty thousand tons on hand.

Q. What coal lands have the Lehigh Valley Coal Company in this region?—A. I do not know as a coal company that they have any lands.

Q. Are any men who signed that document in the employ of A. Pardee & Co. (referring to demand for increased wages)?—A. No, sir; not one.

Q. Are any of them miners?—A. I only know personally of one man, and he was sort of a half miner and half shoemaker.

Q. Can you tell what business the other men are in, any of them?—A. I think their business is agitating this labor question. I think that is their principal business, and to look out for themselves.

Q. Are they coal miners, laborers for coal miners, or employed otherwise in physically developing coal mines and getting out coal and transporting it?—A. I must acknowledge I do not know. I know one man there, this James Broderick, he is the only man living in this Lehigh region that I know.

Q. Where were the other men there?—A. This man Davis—of course I can not be positive, I presume this is correct—this John H. Davis lives at Mount Carmel, which is in Northumberland County; M. J. Shields, Heckscherville; Richard Thompson, in Middleport, in Schuylkill County; Frank Terrell, Mahanoy Plain; and this man Smith, at Mount Carmel. There is but one man living in the whole Lehigh region.

Q. Only one?—A. The only one; and I venture to say that there is not one of those men who understood the basis system under which they have been working.

Q. Why was no answer made to the men in regard to that communication?—A. I received the same communication, a similar one. It came through the mail.

Q. Why was no answer made?—A. Do you answer every letter you receive through the mail?

Q. I do not want to answer questions?—A. Because we did not consider they have anything to do with our business.

Q. You understood it as outsiders dictating as to how you should manage your business, and you did not propose to permit it?—A. No, sir.

Q. What objection was there to submitting to negotiations so as to avoid this strike?—A. I do not think the men in this region had anything more to do with that strike, except the Knights of Labor, than you. It was brought on by these labor agitators. And I may say of our men at the collieries—and I understand they gave a different impression—from the time that they went out they never came near me or near the firm in which I am represented, although I believe a party did come to my father representing A. Pardee & Co. So far as the firm with which I am connected is concerned, they have never come near me from the 10th of September to the present moment.

Q. Then the men who went out, of course, have been paid no wages since the strike?—A. No, sir.

Q. Unless it should be some little balance due from the month previous?—A. No, sir; nothing.

Q. These have been supported by something else than wages or have left the region?—A. Many of them have had money saved up, and they have been supported to some extent; but it has been a very poor support, it may be well to say. They have been supported by contributions from other regions, but I think they have been very poorly supported.

Q. The period since the strike began has covered the poorest portion of the year?—A. No; this would have been one of the best years to the men and us.

Q. I mean the poorest portion of the year, December and January?—A. I think the bulk would have been the heaviest. The men have lost money and we have lost money.

Q. Is not this one phase of the case, that the coal operators had large amounts of coal, including the retail and wholesale dealers throughout the country, and that your men have left you and been supported by men whom you look upon probably as enemies during this hard period of the year, and bye and bye they will be ready to come back again, you being relieved of their wages during this portion of the year?—A. It has cost a good deal of money to keep the water pumped out, etc. These men have been supported by other regions whose men are directly interested in keeping this region out. This region can remain idle and the market be supplied with coal from the Wyoming and Schuylkill regions. It is directly to the interest of the Wyoming and to the interest of the Schuylkill region to keep these men in idleness.

Q. These men have been kept in idleness and supported by men who are contending against the operators?—A. No; they have no contention with their operators, that I know.

Q. The operators are contending with the Knights of Labor generally?—A. We are not contending, we are simply passive agents. We have nothing to do with them.

Q. The output in the last year has been about 34,000,000 tons?—A. I think so.

Q. Now, in your judgment, how much will the three regions produce if worked to the full capacity of the present openings?—A. I believe they would produce about 40,000,000 tons a year. I think if the Lehigh worked at its full capacity they would produce about 45,000,000 to 50,000,000, say 47,000,000.

Q. Is not the capacity of these three regions enough to put out 80,000,000 tons?—A. No, sir; I do not think that you could work this up to a capacity of over 50,000,000, if you could do that. I should say between 45,000,000 and 50,000,000, and you would have to work steadily to do that.

Q. I wish you would give us a general statement of the losses of the strike, as you understand them?—A. In what way.

Q. Covering the losses to everybody by the strike?—A. I do not think I could do that. It is a difficult thing to do, and I do not think there is any one in this whole region who could estimate the effect of this strike; it is a difficult thing to estimate. Of course I know what it costs to carry on our works and to keep up our organization, but what we lost would be a sort of secondary matter.

Q. You understand there was a loss to the operators?—A. Yes.

Q. There has been a loss also to the common carriers?—A. Yes, sir.

Q. There has been a great loss of wages?—A. Yes, sir.

Q. There has been an effect on the consumers in these distant States?—A. The consumer has had to pay more for his coal.

Q. Therefore that is due directly to this strike?—A. Yes, sir.

Q. What companies do you belong to?—A. Pardee Sons & Co., Pardee Bros. & Co., and Calvin Pardee & Co.

Q. Are your lands also part of the Lehigh Valley lands?—No, sir; I do not think the Lehigh Valley owns any interest in this land.

Q. Do you own your own lands?—A. No, sir; we lease them.

Q. Will you tell whom you lease them from?—A. Pardee Bros. & Co. lease from the Black Creek Improvement Company, a corporation of the State of Pennsylvania. Pardee Sons & Co. lease from Charles Koones & Co. and three other parties.

Q. What is the average royalty paid in this region?—A. On all sizes above pea coal the rate of royalty would be from 40 to 50 cents; it varies.

Q. You say that the cost per ton to the operator, loaded in the cars for shipment, is about $1.50?—A. I think that is a very fair average. I venture to say there are collieries—I know there are collieries, that mine at less, and I know where it costs them more than that; and I do not believe that is very far out of the way.

Q. Can you give the items of the cost?—A. I can give the amount paid to the miner, but I would only have to estimate, and I might say I can not give an estimate; though I believe that the labor will range between $1 and $1.30, and the balance will be for other expenses connected with it. I will answer in that way, if that will answer your purpose.

Q. For instance, can you state among your miners the general amount, how much a miner makes per day?—A. I could not; that varies in every place. I do not think there are two places in which a miner will mine exactly the same unless he is restricted in the number of cars and in the output. They sometimes take a chamber or breast which may be a hard one, and a man can not mine as much as his neighbor there. I could not really answer that question definitely.

Mr. CHIPMAN. There were some statements made here yesterday which your father looked over; do you wish to say anything concerning that?

A. I looked over that statement, as published in the Plain Speaker, and I calculated up twenty-four misstatements in that man's testimony, and though he is the representative of this region he is also the representative liar. It is a pretty hard thing to say, but I could not help it. Men who get up and make twenty-four misstatements, I can not help branding publicly as a representative liar.

Q. Is that the statement you wish to make?—A. I make it. I believe I could pick out more than that, but I took down twenty-four misstatements, and when a man gets up as the representative of this region and falsifies as he did, I can but publicly brand him as the representative liar of this region. I think it is an injustice to this community that things of this kind should go broadcast to the land without contradiction. There is hardly a man who will dare get up and say his soul is his own. You may not realize it, but I do realize it.

By Mr. ANDERSON:

Q. By what three roads do you take coal from this region?—A. The Pennsylvania, the Lehigh Valley, and the Jersey Central.

Q. Have you any idea, approximately, what each takes?—A. I could get you those figures, but I do not know from memory.

Q. If it will not be too much trouble.—A. I might try to get them.

Q. Please insert that in your testimony.—A. Very well, I will try to get them.

Q. Have you, from general information or otherwise—your father said it was the Packer estate that probably controls the Lehigh Valley Railroad—is that your opinion?—A. My impression is that they own a large interest in the Lehigh Valley Railroad, which probably gives them control of it. I do not know what the holding is.

Q. Have you yourself, or the firms you represent, any stock in the Lehigh Valley Railroad?—A. I have not as an individual any stock in the Lehigh Valley. One of the firms with which I am connected has stock; my brother has stock, my father has stock, and I think one of the other partners, Mr. Cooper, has some stock, but not as a firm. I have not any interest.

Q. Can you tell what are the present tolls or freights from this point to tide-water or New York?—A. I can not give it. This is a matter that is published, and the circulars are in the different offices, but that is a branch of business with which I have nothing to do.

Q. Your business is simply with the mines?—A. Mining coal.

Q. You have nothing to do with the shipment of coal?—A. Nothing more than to see that the orders are filled that are sent in, but anything relating to the selling of the coal or paying the tolls or anything of that kind I have nothing to do with.

Q. Referring to the question Judge Parker asked you some time since in regard to the effect of the strike upon the operators, you spoke of the expenses that a colliery or the operator of a colliery is at when it is not being worked; what are those expenses?—A. In the first place there is pumping water, which is a source of great expense. We pump in this region 7½ tons of water when we are in full operation for every ton of coal we raise. Whether we are idle or working that pumping goes on. It takes a great many men to keep the water out of the mine. Then, of course, we have to keep up the organization; we expect some time to go to work and we have to keep our superintendent, inside foreman, outside foreman, engineers, firemen, etc. The consumption of coal is something enormous, and you would hardly realize it, and we have to have men to get it out.

Q. I suppose the water is lifted by pumps, so that really this expense in that respect is the expense for fuel, firemen, engineers, and machinery?—A. Then again is the depreciation of the mines, our railroad tracks, and we have miles upon miles of that rusting out, and mining cars going to rack and ruin.

Q. Do your cars go to pieces from want of use?—A. They dry out from not being in use and seem to go to pieces a great deal faster than when we are working.

Q. And then when you are carrying [illegible] a large force to maintain the mine your cars and all other things that are liable to suffer will be looked out for?—A. Many of our places are actually suffering for want of attention in the mine. This is a tiresome question; we can not get the men to do it. We would keep everything in apple-pie order if we could.

Q. Now, taking one of the collieries, how much is that expense per month for superintendent, pumping, and the rest of it?—A. It will range from $2,000 to $5,000 a month at each work I am interested in.

Q. How many men would these collieries work?—A. In the neighborhood of 1,500 men and boys.

Q. You are speaking of one colliery?—A. No, the different operations with which I am connected.

Q. You are paying out $2,000 to $5,000 a month?—A. We are paying out from $6,000 to $15,000.

Q. Suppose they were at work, how much more than this $6,000 to $15,000 would you be paying for wages to all your employés?—A. We would pay from $50,000 to $75,000 a month.

Q. Now, how much coal would that probably represent?—A. We would be shipping over 2,000 tons a day.

Q. How much royalty would that be?—A. In round numbers it would be $900 a day for 2,000 tons of coal.

Q. What other expenses would you then be incurring which you are not now incurring?—A. Of course the wear and tear of the machinery about the breakers would be something. I do not know as I could exactly estimate it.

Q. How much; $5,000?—A. I could not approximate it.

Q. You make now $95,000 a month, that is in addition, if I understand you so, to the amount you now expend in the maintenance of the collieries?—A. Instead of answering I would rather go into a calculation. You put your questions in different ways; I should rather give it separately. I will try to answer them. Putting your questions in the way you do confuses me.

Q. My question is this: How much more were you paying when your collieries were at work than you are now paying when the collieries are not at work, per month, approximately of course?—A. We certainly would be paying from $40,000 to $50,000 a month more.

Q. I understand you to say you would pay at least $900 a day, or about $20,000 a month, royalty?—A. They are not counting that in.

Q. Do you pay royalty when you are not mining?—A. If we were idle a whole year we would.

Q. But if you work prior to September 9 next year you would not?—A. Probably not.

Q. Ever since last September you have paid no royalty. When will you be required to pay any?—A. Not before the close of the year. Then we would have to pay a sum that depends upon the nature of the lease. In some we may be compelled to mine. It depends upon the nature of the lease.

Q. You are now saving royalty which otherwise you would be paying?—A. You can hardly count that saving.

Q. If you were now mining at the rate, I think you said, of 40,000 tons a month, you then would be paying royalty on that 40,000 tons?—A. Yes, say, $16,000 a month.

Q. Then that much you would have to pay you are not now paying?—A. Yes.

Q. Please add that to the wages you have estimated?—A. That makes $66,000.

Q. That includes royalty and wages. Does it include wear and tear of machinery?—A. Not much.

Q. Does it include the interest on the investment?—A. No, sir.

Q. You know how you business gentlemen figure the matter. Do you think that is about a fair statement?—A. I think so.

Q. That is how much?—A. $66,000 a month.

Q. And the strike has lasted how long?—A. Since the 10th of September.

Q. That would be $330,000 that would have been paid out if the men had been at work?—A. That is the sum we would have paid.

Q. And, of course, the operator has saved that?—A. I would hardly call it saving; I would rather pay.

Q. Well, you are not paying it out?—A. We would be better able to pay it out.

Q. I was trying to get to the facts that the operators would have paid some $330,000, and probably more, if they had been at work, and which, on account of the collieries not being at work, they have not paid.—A. No, sir; of course it takes that much out of circulation of the business of the country.

Q. That is to say, out of the specific channels in which it was all circulated. The money is still in the country, it must be in the United States, is it not?—A. Well, I do not know. It may be somewhere, but I do not know where it is. It is not in this region.

Q. But it has not gone out of the United States?—A. We do not care so much about the whole country as about our own region here.

Q. Suppose that the men believed that they were not receiving sufficient wages, do you think they would have the right, and as citizens under the United States flag, to combine?—A. They have the right to combine if they combine in such a way as not to interfere with the work and rights of any other men.

Q. Suppose that their organization was confined simply to their own mine, that they are not in a general organization, not members of the Knights of Labor, or of the Amalgamated Association, or of anything else, but simply as workmen, and if they, in one of your collieries, should see fit to make common cause, that would simply be their right?—A. I would not question their right to do that.

Q. If they did no unlawful act, if they did not destroy your property, or attack you, or impose upon any other man's rights, then they would not be doing any more than business men do when they come to some understanding in regard to their interests?—A. Oh, yes, they would.

Q. In what respect?—A. They would do this: they would live in our houses for the time being; they would burn coal and prevent others from getting work. I do not question the right of any man to better himself, but I think the way the Knights of Labor do is all wrong.

Q. I was not speaking about Knights of Labor. I was speaking about another question. I was speaking about the men having a right to organize. But upon the supposition that their wages have been reduced very materially for several years back, is it all surprising that they should combine in order to maintain their wages?—A. I do not know that it is, but they have been working along for twelve years under this system, and they have, of course, wanted to better themselves; I do not question that at all. But they have been led to it by these labor agitators, who will not do an honest day's work.

Q. But it is quite natural for some men to become leaders?—A. Yes, sir.

Q. This is true of political parties as well as parties everywhere, and they must express the action of the men they represent, since they became leaders?—A. I can not quite agree with you there, because if they have leaders regularly appointed by these men, then I should say you are right; but these leaders are self-appointed.

Q. I will give an illustration: In the House of Representatives, where there are 325 gentlemen, some one makes a proposition or motion. He is set for that particular purpose to be a leader; his leadership depends upon whether the other men are with him or not?—A. Yes, sir.

Q. I know that is true in Congress, that a man's leadership is derived from his following. Now have these men or have they not this leadership, these leaders you speak of, had a pretty large following?—A. Yes, sir, but I will answer your question by saying that you could not go there and take the position of leader of that House without being elected. They are not elected, and their following is because they put themselves forward as leaders.

Q. Yes; but the fact of their organization and the manner in which it was formed into several different assemblies (or whatever they call them; I am not a Knight of Labor), and these are then formed into a district assembly, and so on, have been given us, and I know the evidence is very clear as to the fact that the men have not only had a following, but have been chosen to represent the men whom they do represent?—A. No, sir; I can not agree with that. I do not think the most of the miners had anything more to do with the electing of those officers than you did. They have been unfortunately blindly followed; I agree with you there.

There is one thing I would like to state. You asked my father the question whether the Lehigh operators would be willing to grant the same terms and wages to their men as have been given in the Wyoming and Schuylkill regions, and I do not think he quite covered the case from my point of view. My opinion in regard to that is this: In the Wyoming region there has been practically no change in the wages at all. They work to-day precisely as they worked last September. As it has turned out, the Schuylkill region is working precisely as last September and the Lehigh lies idle. The Lehigh would go to work precisely as they would go to work last September. Why, then, with the wages in the different regions—of course the matter of work differs in the three regions—why do not the men of the Lehigh go into the Wyoming; why not into the Schuylkill? I guess if the truth is known they do so much better here they prefer to be idle than to go into other regions, and I hear men working in the other regions can do better at home with the wages they got in September. If it was not the case, why do not the men go into these other regions. So the point I wanted to make was, we were willing to grant precisely the wages we were paying last September, which were equivalent to the wages paid in the Schuylkill and Wyoming regions, and if anything they are better.

The CHAIRMAN. If they have any complaint to make and if they will come to you operators as employés you will negotiate with them?

A. I would not if they would now. I would not pay any attention to them now.

Mr. ANDERSON. You spoke some time ago in reference to the Wyoming and Schuylkill regions, that it was to their interest to contribute to the support of the men here. Is it true, supposing the operators to desire to see a strike maintained, and supposing that it was to the interest of the operators that the strike should continue some time, would it then have been to their interest that the Reading strike should have occurred in regard to withdrawing the support from the miners here which was contributed by the miners of the Schuylkill region?

A. No; the Schuylkill miners were directly interested in keeping the Lehigh out, because by the terms of their agreement if the Lehigh operators should make an advance prior to the 1st of January, then the advance to the Reading would be continued to the 1st of January. They were directly interested in keeping the Lehigh out and to have the Lehigh get the advance. Consequently it was their interest to contribute, in the same way with the Wyoming. The Wyoming has up to the time the Schuylkill went to work supplied the demand for coal. They were directly interested in keeping both the Lehigh and Schuylkill out.

By Mr. PARKER:

Q. Do you think you can stand upon the proposition that you require them to come back before you negotiate. Why not negotiate with those who were your employés before they come back?—A. I think they would first have to show some disposition of that kind. They have not come near us from the time they went out.

Q. But they are still your men?—A. They are still in the houses.

Q. Why not negotiate?—A. It always takes two men to make a bargain.

Q. There was no effort on your part; you see that?—A. They quit work without consulting us at all, and if they want to come back to work we think we should be consulted about it.

Q. Do you expect them to return to work?—A. We expect them some day to return to work. Perhaps our patience will wear out one of these days in this matter.

The CHAIRMAN. When do you expect this strike to stop?

A. I suppose when the men get enough of it.

Mr. STONE. When do you think they will get enough of it?

A. I could not tell you.

Mr. PARKER. What force do you rely upon to bring them back to work?

A. I presume reason.

TESTIMONY OF ARTHUR McCLELLAN.

ARTHUR MCCLELLAN, sworn and examined.

By Mr. CHIPMAN:

Q. What is your business?—A. One of the managers of Cross Creek collieries.

Q. Who operates the collieries?—A. Coxe Brothers & Co.

Q. Where are they situated?—A. Drifton, Eckley, Beaver Meadow, Stockton, Tomhicken, Derringer, Gowen. We have eight.

Q. They are in the Lehigh system?—A. In the Lehigh system.

Q. Where do you reside?—A. Drifton.

Q. How far from here is that?—A. About six miles from here.

Q. Do you manage the mines there?—A. I am one of the managers.

Q. What mines are there?—A. That is the headquarters of our mines, of the eight I mentioned. That is where our general offices are; that is my own office.

Q. How many men have you employed in your system of mines?—A. We have about 3,600 when we are working full.

Q. How many have you now?—A. I think we have about 1,100 now. We had about 3,700 last August, and now we have about 1,100 working in all the departments, including those working in the machine shops. We have the collieries working at Derringer and Gowen.

Q. Has there been a strike in the machine-shops?—A. No, sir.

Q. How many men are in the machine-shops?—A. Somewhere about 100.

Q. How many men do you employ for pumping, and all that?—A. I have not got the figures for that. You will find it in the mine inspector's report. I can say of miners, we had in August about 1,840 miners and laborers, 1,279 in the preparation department, 306 in the outside department, 155 in the machinery department, and 53 miscellaneous.

Q. The men who were engaged in pumping, and that sort of work, which must go on all the time, did they go on at work or did any of them strike?—A. Some of them did. We put others in their places.

Q. Any engineers?—A. Some engineers quit work, and other hands.

Q. How many of your men struck?—A. I could not answer that exactly.

Q. About how many new men have you?—A. I can not tell you that. We have a good many new men, and I have not got the figures here.

Q. How many men have you engaged in actual mining now, in getting out coal?—A. About 470 inside.

Q. What proportion of them, if you know, were men who struck?—A. I can not tell you that. A good many of them are new men.

Q. Are not a majority of them new men?—A. I rather think they are.

Q. The majority are new men in all the departments except the shops?—A. I think so.

Q. Where do these men come from?—A. From different places; I can not mention exactly where, some from Schuylkill County.

Q. Of what nationality are the men?—A. Germans, Huns, Poles, Americans.

Q. Are they strangers in this vicinity?—A. I do not know that; some are and some are not.

Q. Were they practical miners?—A. As far as I know in the anthracite region. I do not know of any coming from the bituminous region. I am only giving an opinion; I have not looked into that.

Q. From your standpoint what [illegible] strike?—A. I can only say we never had any dem[illegible] or any men. In August we received a circular simuar to [illegible]ardee showed, signed by several men not in our employ. No [illegible]as made to it, and on the 12th of September the men struck, the most of them.

Q. You did not reply to that; why not?—A. We have never been in the habit of replying to anybody that is not in our employment.

Q. These men were a committee of the Knights of Labor, or the Amalgamated Association, or both?—A. Really, I do not recollect; I believe they were both.

Q. It was for that reason you made no response to it?—A. We made no response because they were not our own men.

Q. Was there an understanding among the operators of this district that no response shall be given to a circular of that kind, coming from that source?—A. I do not know of any understanding.

Q. Do you know of any operators in this district who did not act in that way?—A. I think they all acted in that way, but I do not know that there is any agreement.

Q. That was received and you made no response?—A. Yes, sir.

Q. How soon after the receipt of that communication by you did the men go out?—A. I do not recollect when it was received, but they went out about September 12.

Q. Your men went out about the 12th?—A. I think it was on Monday.

Q. Had any gone out before that?—A. The 10th was the last day of their work; I think it was Saturday, and Monday they did not return to work.

Q. Have matters remained in *statu quo* ever since?—A. They have remained in about that condition. I believe we have two collieries working.

Q. Have you made any efforts to end this condition of affairs?—A. Whenever men want to work we take them on.

Q. Have there been any attempts at negotiation on the part of the men?—A. Not that I am aware of.

Q. To negotiate with them to return to work?—A. I can not say about that. I would not like to make any statement about that. Mr. Eckley C. Coxe always attends to that part of the matters.

Q. You do not know what his policy would be?—A. I would not like to say. I do not think anything would be done, except with our own men who are working.

Q. Suppose those who struck wanted to come back, would you negotiate with them to receive them back?—A. If they come back there and go to work, of course they could do so. I would not like to make a statement about that though.

Q. What is your objection to receiving this communication from this organization?—A. We do not wish to have people interfering between us and our employés.

Q. Suppose that these organizations are largely composed of your employés, what then? Are they any less your employés because they belong to the Amalgamated Union or Knights of Labor?—A. No, sir; but this communication we received was signed by men outside this region entirely and of whom we knew nothing.

Q. Can you tell us anything about the amount of labor, the cost of labor, which enters into the production of a ton of coal at your mines?—A. No, sir; I can not tell you that.

w much is the cost of a ton of coal got out ready for shipment ines?—A. I could not tell you that.

u have never figured it?—A. I have figured it, but I do not now, and I do not care to state it.

n you give us some estimate? I am not asking for accuracy, I rant you to approximate. You must have some idea?—A. I ther not made a statement about the cost of coal.

hy?—A. I would rather leave that for Mr. Coxe to speak for

. Coxe is not here. How much do you think the miner makes g out a ton of coal?—A. I can not tell you that. I could say miners' wages average over $2 a day; of course they vary very

w much would he make on a ton of coal on the average of $2 a . I can not tell you that.

u have not figured that?—A. No, sir.

w many tons of coal do you get out in a day?—A. I have not t; I prefer not to state.

w do you conclude that he makes $2 a day; you must have fig- w he makes it?—A. From an examination of the pay-rolls of ve been paid to the men.

hat in your judgment is the average of wages of all hands con- ith the mines?—A. That is very difficult to tell, they vary so

ere is a certain amount paid in wages and there is a certain of people among whom it is to be divided; some get less and re, and I am asking what average would be spread over all— ve not got the figures.

w much did you pay out in your system of mines?—A. I could the books.

w much coal do you get out in a year?—A. About a million year.

w much did it cost to get out that million tons?—A. I could I have not got it.

w much did you get in 1886?—A. About a million and a quar- t is, including sales at the mines, at the collieries.

u got out a good deal less this last year than the year before?— sir.

out 250,000 tons less?—A. Yes, sir.

hat did these men strike for, do you know?—A. They struck er wages, I believe.

ve you any idea what they struck for?—A. For higher wages, ally to obtain control on the part of this organization.

obtain control of what?—A. The coal region.

this the statement you wish to make concerning your side of ng strike?—A. I do not know that I have anything further to

. Coxe is expected home to-day?—A. Some time to day; this , I think.

es he pass through Mauch Chunk?—A. Yes, sir.

hat time will he pass through there?—A. It depends upon what takes. If he gets on one train he would get there about 6

e you certain he is coming?—A. I am not; but I think so. I st certain. He was to be in on the 7 o'clock train.

By Mr. STONE:

Q. You say you have over a thousand men at work now?—A. Yes, sir.

Q. Engaged in mining coal?—A. Not all. Some work in the machine-shop.

Q. How many are engaged in mining coal?—A. I think I mentioned about 470. That was in December.

Q. How much land does Coxe & Co. control?—A. I can not tell exactly how many acres. They have eight collieries, thirty or forty thousand acres.

Q. Is it their own land or rented?—A. Part is and part is not.

Q. What proportion is rented?—A. There are two collieries and a portion of two others are rented.

Q. From whom do they rent?—A. There is the West Buck Mountain Coal Company, and from Anspach & Stanton, and from the Central Coal Company at Tomhicken, and part of the Derringer mine, and the Beaver Meadow portion from the Lehigh Valley Railroad Company.

Q. Is Mr. Coxe himself in any way connected with the Lehigh Valley Railroad Company?—A. Not except the coal is shipped over that railroad, that is all.

Q. Of these corporations of whom he rents land, do you know anything about them?—A. They are simply private land-owners.

Q. Where do they live?—A. The owners of the West Buck Mountain live in Philadelphia; they are all people who live in Philadelphia.

Q. Do you know whether they are stockholders of this railroad company?—A. I do not know that.

Q. Did I understand you to say that you could state the amount that the miners received for mining coal, or rather did you do it?—A. I could not do it without going through the books. They are figures which I have not got and I would rather leave it for Mr. Coxe to do.

Q. I will ask you this general question, whether the business of mining at the current prices, whether the operators are paying as much for labor as the business would reasonably bear?—A. I think so; I would rather you ask this question of Mr. Coxe.

Q. But Mr. Coxe is not here?—A. I understand you expect to have him this afternoon or evening.

By Mr. ANDERSON:

Q. Over what railroads do you ship from your collieries?—A. Over the Lehigh Valley, the Central Railroad of New Jersey, and the Pennsylvania.

Q. Do each of these roads touch all of your collieries?—A. No; at Drifton we have the Lehigh Valley and Central Railroad of New Jersey; at Eckley we have both roads; at Derringer, Gowen, and Tomhicken we have the Lehigh Valley and Pennsylvania.

Q. Are they of equal distance or about equal distance from Penn Haven?—A. Yes, all about equal distance; that is, by the Lehigh Valley and Central road of New Jersey.

Q. Do you know what the rates of coal are?—A. No; that is a matter which is settled in our New York office; they are all paid there.

Q. What is the name of your New York office?—A. E. B. Eley, sales agent.

Q. Do you know his address?—A. No. 1 Broadway, New York. This tonnage is all in the New York office entirely; we do not keep up with the changes at all up here; we do not have occasion to use them.

Q. I understand you are superintendent for Coxe's mines?—A. I am one of the managers of his mines.

Q. In your company who specially has charge of the general question of the production or output of coal; who is the business man looking out for the concern, so to speak?—A. Mr. Eckley B. Coxe could answer you any questions about that.

Q. Where does he reside?—A. At Drifton.

TESTIMONY OF JAMES E. RODERICK.

JAMES E. RODERICK, sworn and examined.

By Mr. STONE:

Q. Where do you reside?—A. Hazelton.

Q. Do you hold any office?—A. I am inspector of mines.

Q. For what district?—A. For the fourth district of the anthracite coal-fields of Pennsylvania.

Q. Did you make a report contained in that book?—A. Yes, sir; for the fourth district, that part of it.

Q. I see the report for the fourth district for the year 1886?—A. Yes, sir.

Q. Is that the last published report?—A. Yes, sir.

Q. This book contains the reports of the various mine inspectors?—A. Yes, sir.

Q. What part of the Lehigh region is embraced in the fourth anthracite district?—A. It embraces lower Luzerne and the whole of Carbon County.

Q. Does it embrace the whole of what is called the Lehigh district?—A. No, sir; it does not, all of it.

Q. What part of the Lehigh region is not embraced in it?—A. A part of the Panther Creek Valley in Schuylkill, and Audenreid which is in Schuylkill also.

Q. Can you tell the total output of the mines in the Lehigh region for the year 1886?—A. It is something over five millions. I think I had better get the book and get it right.

Q. What is it accurately?—A. The total output was 5,333,518 tons.

Q. What was the total output for 1887?—A. 3,961,594 tons.

Q. Give the total number of tons shipped from that region in 1886?—A. It is 4,915,096 tons and some cwts.

Q. In 1887?—A. 3,537,191 tons.

Q. The number of days worked by the men in 1886?—A. The average number of days worked by the men, 1886, were 281.

Q. In 1887?—A. 155 days.

Q. How many men were employed in 1886?—A. 14,140.

Q. In 1887?—A. 14,096.

Q. Does the firm of A. Pardee & Co. do business in this district?—A. Yes, sir.

Q. What was the total production in tons of coal of that company in 1886?—A. 543,387 tons.

Q. In 1887?—A. 377,598.

Q. How many tons were shipped by that company in 1886?—A. 512,839.

Q. In 1887?—A. 345,650.

Q. How many men were employed in mining by that company in 1886?—A. 1,648.

Q. In 1887?—A. 1,553.

Q. What was the average number of days worked by the men of that company in 1886?—A. 211½.

Q. In 1887?—A. 158.

Q. How many kegs of powder were used by that company in 1886?—A. 9,307.

Q. In 1887?—A. 6,702.

Q. What was the total number of kegs used in the whole district in 1886?—A. 98,525.

Q. In 1887?—A. 70,675.

Q. What was the total production in tons of coal by Coxe Bros. & Co. in 1886?—A. 1,226,685.

Q. In 1887?—A. 1,005,221.

Q. How many tons were shipped by that company in 1886?—A. 144,572 tons.

Q. How many were shipped in 1887?—A. 893,813.

Q. How many men did they employ in 1886?—A. 3,091.

Q. In 1887?—A. 3,318.

Q. The average number of days worked in 1886?—A. 265.

Q. In 1887?—A. 216.

Q. How many kegs of powder were used by that company in 1886?—A. 28,210.

Q. In 1887?—A. 22,512.

Q. How many men, if you can state it, went out on this strike in September, 1887?—A. Do you mean in my district?

Q. Well, in your district?—A. Well, about something over 14,000.

Q. In the Lehigh region?—A. Between 16,000 and 17,000, I think—16,665; that was all I have figures for of last year's report. I have taken this from the report of 1886; those are the figures there and they are nearly right.

Q. About 16,665?—A. Yes, sir.

Q. Can you form any estimate of the number of people dependent upon the industries of these mines?—A. Well, I suppose it might be 100,000. Multiply that by 5 and it would be 80,000; I think there would be 80,000. Possibly by multiplying by 5 it is too much; probably four times the number out on strike would be the number.

Q. What is about the population of this town?—A. They estimate it to be about 14,000.

Q. Do you know the number of policemen employed?—A. I do not know, but I think three or four. If you desire it we could give you the number of boys and the number of men in the district. Out of the 15,000 or 16,000 I could give the number of boys.

Q. What do you mean by boys, under eighteen or twelve?—A. They are not allowed to work in the mines until fourteen.

Q. And how long do you call them boys, eighteen?—A. I would call them boys until they are men.

Q. Until they are twenty-one and have the right to vote; but have not most boys got all their physical growth at eighteen as they could be?—A. There are a large number of boys work outside and a large number inside.

Q. There is not more than one-fourth boys, are they?—A. I do not think there would be any more than a fourth.

Mr. STONE. Well that is not material any way.

ARIO PARDEE—Recalled.

By Mr. STONE:

Q. This paper I now hold in my hand represents, as I understand it, the amount of coal on hand belonging to the operators undisposed of at the end of each month, as stated here, showing also the loss or gain of each month as compared with the previous month?—A. Yes, sir.

Q. The statement purports simply to show the surplus undisposed of coal on hand belonging to all the anthracite coal operators at tidewater?—A. Yes, sir.

EXHIBIT 57.

Anthracite coal in stock at tide-water shipping points, 1887.

	Amount.	Gain.	Loss.
Stock on hand—	*Tons.*	*Tons.*	*Tons.*
January 31, 1887	475,448		
February 28, 1887	470,609		4,839
March 31, 1887	568,815	98,206	
April 30, 1887	700,199	131,384	
May 31, 1887	754,205	54,006	
June 30, 1887	800,534	46,329	
July 31, 1887	704,101		96,433
August 31, 1887	629,415		74,786
September 30, 1887	394,748		234,667
October 31, 1887	158,976		235,772
November 30, 1887	112,103		46,873
December 31, 1887	130,977	18,474	
January 31, 1888	95,168		35,809

Q. The paper I now hold in my hand represents the same showing, so far as it belongs to A. Pardee & Co.?—A. Yes, it is intended to do that.

EXHIBIT 58.

Coal of A. Pardee & Co. on hand at Perth Amboy, N. J.

Date.	Amount.	Date.	Amount.
	Tons.		*Tons.*
January 1, 1887	6,650	July 1, 1887	23,760
February 1, 1887	6,560	August 1, 1887	23,500
March 1, 1887	5,830	September 1, 1887	23,690
April 1, 1887	14,630	October 1, 1887	2,540
May 1, 1887	22,400	November 1, 1887	140
June 1, 1887	10,350	December 1, 1887	40

Q. From what source were the figures contained in the first exhibit touching all the operators obtained?—A. I got it from the statement of Mr. Jones.

Q. Who is Mr. Jones?—A. He is the accountant of the coal trade. He was in the employ of the Reading Railroad Company. Whether he is now or not I do not know.

Q. He lives in Philadelphia?—A. Yes, sir.

Q. From what source were the figures obtained showing your individual stock?—A. From the report of our agent in New York.

Q. Where was that coal stored?—At Perth Amboy, N. J.

Q. You had none stored anywhere else?—A. No.

TESTIMONY OF ECKLEY B. COXE.

WASHINGTON, D. C., *March* 1, 1888.

ECKLEY B. COXE, sworn and examined.

By Mr. STONE:

Q. Where do you live?—A. Drifton, Luzerne County, Pa.

Q. How long have you lived in that vicinity?—A. I have been a resident of the village since 1865, but I have lived off and on in the neighborhood ever since I was six weeks old. In fact the ground on which I live has belonged to my father and grandfather for nearly a hundred years. Since I grew up I have lived mostly at Drifton. When I went there it was a wilderness.

Q. Do you hold any official position in Pennsylvania?—A. I have no official position whatever.

Q. I thought you were State senator?—A. I was elected in 1880, but my term expired at the end of 1884. I represented, at that time, the district in which I now live.

Q. What business are you engaged in?—A. I am a mining engineer by profession and am engaged in the mining of coal.

Q. The mining of anthracite coal in that region?—A. In what is known as the Lehigh region.

Q. How long have you been engaged in that business?—A. Since February 5, 1865, as a coal operator. Previous to that I was interested in the management of the estate of my grandfather.

Q. How many men had you in your employ in September, 1887, engaged in the mining of coal?—A. It is necessary, perhaps, to explain the division of the employés. After the coal comes from the mine, a very large amount of work has to be done to prepare it for market, hence there are two classes of workmen, those working under ground and those engaged in the preparation of the coal for market, such as sorting, crushing, and taking slate out of the coal. This is done outside. Then we have a large number of men that are to be employed as teamsters, outside laborers, carpenters, etc. Our employés in the month of August—they were paid for August in September, just at the beginning of the strike—there were in the mining department, 1,840; preparation department, 1,279; outside department, by which we mean teamsters, laborers, and men not doing work in the breakers nor under ground, 366; machinery department, 155; construction department, 6; miscellaneous, 53. Miscellaneous includes clerks and men of that kind, making a total of 3,699. In the selling department we have 193. These have charge of the selling of the coal.

Q. How many men had you in your employ connected with the mining of coal in December, 1887?—A. In the mining department, 469, instead of 1,840; in the preparation department, 389, instead of 1,279; in the outside department, 95, instead of 366; in the machinery department, 128, instead of 155; in the construction department, 3, instead of 6; and miscellaneous, 50, instead of 53; and in the selling department, 140, instead of 193.

Q. Can you state how many men you now have in your employ compared with the number you had in December?—A. In December we had about 30 per cent., and now I suppose about 35 per cent. to 37 per cent. of what we had in August. We have more than we had in December, probably 5 per cent. more.

Q. You have classified these employés, and among others you have a mining department?—A. That includes all men who are engaged either in cutting coal, loading coal, and transporting coal under ground; that is, drivers, locomotive engineers, etc., and those engaged in keeping up the timber, roads, etc. It includes everybody who works under ground except the men engaged about the pumps and machinery.

Q. Now the preparation department embraces what?—A. It embraces all men we consider belonging to the business of mining that work on the surface, except the machinery department. That department is kept entirely separate. That is a special kind of labor requiring mechanics and workmen of that kind.

Q. You have a class denominated outside department?—A. This comprises the teamsters and stable-men, workmen engaged in keeping up roads and digging cellars, ditches, and things of that kind, etc. There is a great deal of work not belonging to mining; for example, if a man living in one of our houses comes in and says his cellar is full of water, we have to send men to attend to it. It also includes men that cut timber and work in the saw-mills, of which there are a large number.

Q. What do you mean by construction department?—A. That department comprises those engaged in the building of houses, breakers, or any building. Sometimes it runs down practically to nothing, but if we were building a large number of houses, we might have 40 or 50 or 100 men in this department. They are mechanics who work sometimes for us and sometimes for others. If we were building a large number of houses, we would give notice that we wanted so many carpenters, and we might hire 50 to 100.

Q. Do you hire by contract?—A. We hire them by the day. They are men who do not work the year round for us.

Q. Now the miscellaneous department?—A. It consists principally of men who perform clerical work, odds and ends, watchmen, etc. In about four or five thousand men there are a lot of men it is difficult to classify.

Q. Under what head are police classified?—A. They are not our employés. If they were our employés they would be under the outside department. The police are paid by the operators, I believe. I think there are one or two operators who do not contribute. There is a secretary, I know, and he sends us a bill each month for our share, dependent upon the amount of service we require.

Q. Now the selling department?—A. That includes our employés in New York, Boston, Milwaukee, Chicago, Buffalo, and Philadelphia. They are men who sell the coal, and includes also the men who work on our boats and docks, where we ship. The tide coal is sent to Port Johnson, South Amboy, and Perth Amboy, and there it is dumped from the cars through chutes into boats, and the same is true at Buffalo.

Q. Into your boats?—A. We have boats of our own in New York, but in the West large vessels are used which we have no interest in.

Q. Do you have the men managing your boats classified under this head?—A. They are in the selling department. It is entirely separate from the mining business.

Q. How many sales agents have you?—A. We have one general sales agent. He has an assistant in New York, one in Boston, one in Chicago, and one in Philadelphia. He has general charge.

Q. You have a sales agent at Philadelphia?—A. Yes; Mr. Eldridge

Q. Now, while we are on the subject of the business of these sales agents, what does the gentleman do you have at Philadelphia?—A. Mr. Eldridge is our agent there. I will just describe his day's work. He goes to his office in the morning and gets his mail, by which he is informed what coal has been shipped. He has one or two men in the office and they go to the different parties whom he thinks will be likely to buy our coal and try to sell the coal, endeavoring, of course, to get the best price he can. As to the New York office, their business is to keep the Philadelphia and other offices informed as nearly as possible of what coal ought to bring in each place and find out what they can get in Boston, New York, Chicago, etc. There are times when there is a greater demand in one place than others, and, of course, the principal object is to so sell the coal that it will net most money at the mines.

Q. Do you ship the coal in response to contracts already made, or do you notify your sales agent that the coal has been shipped, so that he would make preparations for it?—A. Coal is shipped in two ways. For example, a man at Washington may order two cars of stove coal. When the order is received our agent sends it to the mines and instructs us to ship two cars of stove coal to John Smith, at Washington. But if a man in Boston buys the coal it is shipped either from New York or Philadelphia by vessel. All coal going to shipping ports is shipped, without specific orders, to Coxe Bros. & Co., at, say, Perth Amboy. That is, it goes there in cars. Now, the order might be for 2,000 tons of one kind, and it would be impossible to ship that much in any one day from any mine. But at the shipping port it is allowed to accumulate until enough is on handto load the vessel. We ship both ways; whenever the coal can reach the man direct, without transshipment, it is shipped direct from the mines, and wherever it has to be transshipped it is shipped to tidal point and there loaded into the boat. For example, we shipped a great deal of coal to Minneapolis last year. That went to Buffalo by rail, from there by water to Duluth, and then to Minneapolis by rail, where it was delivered to consumers. Coal for Kansas generally goes to Chicago, and is reshipped from Chicago.

Q. I understood you to say a moment or two ago, when I asked you as to the business of the sales agent, that he would go to his office in the morning and examine his mail, and among other things would find that you had shipped so much coal, and then it would be his business to go around and make the best sale he could?—A. No; he finds a list of the orders which he has sent in and which have been filled. We instruct him every morning that we have filled such and such orders. That notifies him of the amount of coal his customers are receiving. He learns that order No. 24 was shipped on the 23d, say, of February, and and it is his business to notify the man that such and such coal left the mines at such and such a date. Then after he has done that he goes out and tries to sell what he can, and then advises the mines to ship the coal sold to A, B, and C. His business is to endeavor to sell whatever coal he can at the best price.

Q. Is it a fact, then, that when your coal is shipped from the mine that it is generally already provided for or disposed of at some point?—A. It depends upon the state of the market. There are times when it is provided for.

Q. And there are other times when it is not?—A. Yes, sir; the western market: if you do not mind the digression I might explain its peculiarities. The western farmer does not buy coal until he has got his harvest in; he then hauls the grain to the elevator, and buys a load of coal. The car that takes his grain to Chicago brings back a load of coal to the elevator. The vessel that takes the grain to Buffalo brings a load of coal from Buffalo. The box car that takes coal to Buffalo from the mines may be loaded with grain to New York and Philadelphia, or to our mines. The farmer out West practically buys his coal almost exclusively in the months of August, September, October and November. But we can not furnish all the coal needed then, and the consequence is we are obliged in the months of May, June, July, and August to pile up at Chicago, at Duluth, at Milwaukee, and other shipping points, a large amount of coal, amounting to hundreds of thousand dollars in value piled up, because we know when the farmer begins to move his grain he will want the coal. It is like a man buying Christmas presents. The people only buy at Christmas, but he must get the stock in before the trade begins. Practically, we expect to pile up $300,000 or $400,000 worth of coal at the receiving points in the West for the supply of the grain-producing consumer.

Q. That you generally do in the summer months?—A. Yes, sir; lake navigation does not open until May and closes in November. The consequence is the whole supply of the West has to be shipped in six months, and there are only about three months the dealers and consumers will take it.

Q. At the time of this strike in September, how much coal did you have piled up to meet this last fall's demand?—A. I have not got these figures, but we must have had from forty to sixty thousand tons. I did not know exactly what class of questions that would be asked, and did not look this matter up.

(The following statement was subsequently furnished by Mr. Coxe.)

EXHIBIT 59.

Statement showing surplus coal on hand at time of strike at tidal points and western points September, 1887.

	Tons.
Coal on hand—	
Perth Amboy	18,772
South Amboy	4,888
Port Johnston	8,672
Chicago	14,197
Milwaukee	33,851
Total	80,380
Unfilled orders—	
Total tide	75,000
Total West	35,950
	110,950
Oversold	42,668
Undersold	12,098
Net oversold	30,570

Q. That was stored by you at these various points of distribution?—A. Some was at Milwaukee, some at Chicago, and some at eastern points. The daily shipments from the mines are never exactly the amount sold. Sometimes we pile up coal, and sometimes we ship more than we mine, and sometimes we mine more than we ship.

Q. The plan of the business you have just detailed is, so far as this particular branch is concerned, the usual one?—A. Yes, sir; but some miners do not do this. They prefer to take what they can get for the coal at the mines and let other people buy it, and there are dealers who buy coal at certain seasons of the year and stock it up. But what I have given is the general plan of carrying on the business, otherwise the mines would have to stop at certain seasons of the year and the people could not get the coal they needed at others.

Q. Of these 1,840 men working in the mines under-ground in August last year, what proportion of them were miners and what proportion were called mine laborers?—A. I can give approximately the number of miners, laborers, drivers, boys, etc. We must have had, I think, about 800 miners proper. The average number of miners for this year, as near as we can make it up, is 800, but there is never a day when we have got the same number. Of 1,800 men on our roll, some 800 are miners, working mostly on contract. Of course I make the reservation that these figures are not absolutely correct. I can not give them exactly, because it is impossible to get them within 2 or 3 per cent., as they change from day to day.

Q. Can you tell the committee the amount of coal lands you control?—A. I can not state exactly the number of acres we control. My interest in the lands known as Coxe's land, is 2-21, about 9.5 per cent., but we lease from other parties a great deal of our land. That question I did not expect to reply to, or I would have been prepared to answer it. We lease from the Lehigh Valley Railroad Company, the West Buck Mountain Coal Company, Anspach & Stanton, Black Crook Improvement Company, the Central Coal Company; and there are some lands in which we are partially interested, such as the Coxe-Derringer land and Coxe-Tower land. Taking all together, I suppose that they amount to about 30,000 acres.

Q. You say you lease a part of these lands from the Lehigh Valley Railroad Company?—A. Yes, sir.

Q. How much land, if you know, does the Lehigh Valley Railroad own or control up in that anthracite region?—A. I have not an idea. I know very nearly what they have in the Hazleton region, but what in the Schuylkill and Wilkes Barre I do not know.

Q. A pretty large amount?—A. They are large shippers, although a great deal of the land they mine does not belong to them. Some of their largest collieries are on the lands belonging to the Girard estate. They leased that and other lands. Some of the leases are perpetual, or for a long term. Sometimes they find it better to lease part of their own land to others, because the coal in it is so placed that it can be worked to advantage by others. They have very large mines; some of them they lease and some they own in the Wyoming, Lehigh, and Schuylkill districts.

Q. Are you connected in any way with the Lehigh Valley Railroad?—A. Not a bit, sir.

Q. Have you not some stock in it?—A. No, sir; I have not. The only stock I own in any railroad is ten shares in the Reading Railroad.

Q. Does the Reading Railroad ship any of your coal?—A. Not a pound that I know of, unless it reaches their line over 50 miles from our mines. Some of our coal may go via Bethlehem, on the North Penn branch of the Reading. We ship by the Lehigh Valley, Central Railroad of New Jersey, and Pennsylvania, only. We are not what is known as Reading shippers.

Q. Well, is the New Jersey Central a land-owner up there?—A. This railroad owns no land, but it controls the stock of the Wilkes Barre Coal and Iron Company, and in that way are interested in mining.

Then the Lehigh and Wilkes Barre Coal Company is a corporation something like the Reading Coal and Iron Company?--A. Except in this: The Wilkes Barre Coal and Iron Company has other stockholders and bondholders besides the New Jersey Central; in fact, there are many stockholders that are not connected with the railroad. The railroad does not own all the stock, but only a controlling interest.

Q. You understand that to be all the New Jersey Central's mining interest?—A. They have coal interest in another way. They lease the h Coal and Navigation Company's railroad, and under that lease coal is transported over the Jersey Central, but that road has no st or control whatever in the mining of the Lehigh Coal and Nav-n Company ; it is a separate and distinct organization.

The Lehigh Coal and Navigation Company controls the canal ?—ey own the canal, and they own all the New Jersey Central Rail- lines in Pennsylvania, which they lease to the Jersey Central.

The canal and the railroad are under the same management ?—o; the Lehigh Coal and Navigation Company manage their own , but parted with the management of the railroad to the Jersey al Railroad.

In what way, then, does the New Jersey Central control the mining tions of the Lehigh Coal and Navigation Company ?—A. They no control over the mining operations, but part of the conditions e lease are that the coal shall go over their lines. They get the portation of the coal, but the mining operations are separate and ct. The New Jersey Central has nothing to do with the mining tions. They are run by the Navigation Company itself.

Is the Lehigh Canal operated now as a distinct line of transporta- —A. Entirely. The rates and everything are made by the Lehigh gation Company; they own their own boats; it is entirely distinct.

Do you understand it to be a competing line ?—A. It is so far as al can compete with a railroad; but its practical competition comes : two disadvantages; one is you break the coal when you dump it the car into the boat, and it is difficult to get it out of the boat . It freezes up in the winter, and consequently nobody who wants e coal all the year around likes to provide for it in that way. The quence is that they ship very little except to a limited number of , to points on the water which have no railroad connection, and r certain small sizes of coal which are so small that it does not so much matter whether it gets broken or not.

So no coal is carried by the canal when it can be carried by rail ?—e Lehigh Coal and Navigation Company carry their own coal, to ain extent, in order to give business to their canal. I do not think every 100,000 tons we ship we send 500 tons over the canal.

Is the Lehigh and Wilkes Barre Coal Company doing a large busi- is it one of the large companies ?—A. It is one of the large com- s; I think their shipments are over 2,000,000 tons a year.

Do you know of any other mines in which the New Jersey Central terested in the anthracite country ?—A. They have control of the r Brook mines, near Hazleton, through the Lehigh and Wilkes Barre Company. All the coal mines they are interested in are controlled gh the Lehigh and Wilkes Barre Coal Company All their coal in- s are managed by that company. The Lehigh Coal and Navigation any is not controlled by them in any way, but ships over their

Who controls this Lehigh Valley Railroad Company now ?—A. It ock company.

Is it controlled by its own board ?—A. Entirely.

Is it under the management in some way of the Pennsylvania Rail- —A. No, sir; it is entirely a separate and distinct organization, has nothing to do with it.

Who owns the Lehigh Valley Railroad ?—A. The largest stock- r in the Lehigh Valley Railroad is the Packer estate. Judge r left, I do not know exactly how much, but several million dol- nd his estate is the largest stockholder; but there are a great many stockholders. You want to know whether directly or indirectly the Pennsylvania Railroad has any interest in it?

Q. Yes, sir.—A. They have not.

Q. How many independent lines of transit come into this coal country?—A. The Lehigh Valley comes in from the north; the Erie comes in from the north; the Delaware, Lackawanna and Western comes in from the north; and the Delaware and Hudson comes in from the north. The Delaware and Hudson and the Erie have some traffic arrangement by which they use each other's tracks. Then the Pennsylvania Coal Company comes in from the northeast, and the Delaware, Lackawanna and Western go out from the south, and the Pennsylvania, by railroad and canal, goes out from the south. Then the Lehigh Valley and the New Jersey Central go east out of that region. These are the outlets of the upper or Wyoming region. The Lehigh region has three outlets, the New Jersey Central, the Lehigh Valley, and the Pennsylvania Railroad. Indirectly there might [illegible] an outlet by the Reading by use of a portion of the New Jersey [illegible] track. In fact, the New Jersey Central goes out of the region on [illegible] line partially over the Reading track. The Schuylkill region h[illegible] outlet by the Reading, by the Pennsylvania Railroad, and by [illegible] Central Railroad of New Jersey, using a portion of the lines of [illegible] from their collieries west of Tamaqua to [illegible] place. [illegible] the outlets.

Q. You [illegible] companies to be operating independent lines?—A. [illegible] independent lines. I am not in any of these companies. The New Jersey Central Railroad at the last election elected three of the Lehigh Valley directors to their board, but I do not understand that the Lehigh Valley has control of it.

Q. Do you understand there are more than two controlling lines between the anthracite coal fields and Philadelphia?—A. There are only two between them and Philadelphia; that is to say, you can not get into Philadelphia except over two lines, and the reason is only two railroads enter Philadelphia.

Q. The Lehigh and the Reading?—A. No; the Reading and Pennsylvania. There is absolutely no railroad by which you can get to Philadelphia from the coal mines or anywhere, except over the Pennsylvania and Reading.

Q. Does not the Lehigh Road go to Philadelphia?—A. No, sir.

Q. What track do you take?—A. We use both. If we want to ship to Washington avenue it goes over the Pennsylvania; if we want to go to Ninth street it goes over the Reading. In other words, it is impossible to reach the city of Philadelphia by any other than these roads, because there are no other roads connecting with it.

Q. Now, as to the freights, is there any difference whatever in the amount of tolls charged by any of the companies from any point in the anthracite region to the same market?—A. There is a difference. For example, railroad freights to New York by the Lehigh Valley Railroad are fixed. That is, the company announce from time to time that the freight on coal to New York is so much. Now, the rate on the Central Railroad of New Jersey is a variable one. At the end of the month we make returns to them of all the different shipments from the Lehigh region, and they take a certain percentage of what the average price of coal is. You understand, in one case if you get $1, $2, or $5 for a certain quantity of coal, the freight is the same; but by the Jersey Central the average net price of coal free on board regulates the freight, and that is fixed at the end of each month. Sometimes there is a difference between the freight which is fixed and the one which is variable;

sometimes one is higher. On a varying market the fixed rate will generally be higher; that is to say, the railroad company will generally be slower to find out that coal is going down and that they must reduce the rates. Whereas if it is going up they will find that out quicker, but the rates are generally practically not very different.

Q. Has there been any controversy between the two lines on account of the difference in their rates?—A. I do not know anything about that; I have not heard of any.

Q. Now, have the Pennsylvania and the other two lines which you say go in there the same rate; I understand the prevailing rate on coal is $1.80 a ton?—A. I can not state the exact figures, because I do not have charge of them. I know this, the rate to Philadelphia is the same.

Q. No matter from what point it is shipped?—A. I am not certain about that, but the rate from all points in the Lehigh regions to Philadelphia by any line is the same. I am not positive, because I have no interest in the Wilkes Barre region. I do not know whether the rate from Wilkes Barre is the same as from our region.

Q. One other question with reference to these roads. Is it not a fact that each of these transportation companies controls and carries the coal mined within given territories?—A. Not exactly that, but the position is this: that almost all of these companies controls, by purchase, lease, or otherwise, coal lands, and in that way secures the tonnage. At Drifton, where I live, both railroads come in there, and we can ship coal just as we please.

Q. You can ship as you please?—A. Yes, but the trouble is we are generally limited by the difficulty of getting cars. At our Tomhicken and Derringer collieries we ship by the Pennsylvania and Lehigh Valley. If the colliery is on the track of one road, of course we are limited to that road. If you have arrangements by which you have two roads, you can ship by both. At other collieries you may have three railroads. The control is due to the fact that the companies own or lease the bulk of the land.

Q. The carrying companies?—A. Yes, some of them were originally coal-mining companies whose charter allowed them to construct railroads or canals, from which they have become carrying companies. The Delaware and Hudson began in that way, and I think the Delaware, Lackawanna and Western was originally built to carry the coal.

Q. Then, as I understand you, the fact is that the carrying companies control the bulk of the mining operations?—A. The carrying companies do, although it is generally not by mining coal themselves, but by owning the stock of the mining companies. Practically the effect is that they control the tonnage by their ownership, and it is done by owning the stock in the mining companies very largely, but not always.

Q. Sometimes all of it?—A. Yes; but in the case of the Pennsylvania Coal Company, the coal company owns the stock of the railroad.

Q. What freight have you been paying to carry coal, say, to Philadelphia?—A. I think the freight is $1.85, but I am not positive, as I did not expect to be questioned about freight.

Q. Now I want to know whether there is any discrimination whatever in the carrying of coal freight?—A. I do not think there is.

Q. Do you get any such thing as a drawback?—A. No, sir.

Q. In no manner, shape, or form, directly or indirectly?—A. No.

Q. The $1.85 which you pay is gone from you absolutely?—A. Is gone absolutely; not only that, but they draw on us for the money about the beginning of the week for every ton of coal shipped in the previous week. I believe I can say that since the passage of the interstate commerce act there have been no drawbacks in the coal trade. I know of none and I have been watching it.

Q. You had a strike there?—A. Yes.

Q. What was the cause of the strike?—A. The facts are these: I received a circular signed by six gentlemen (I think you have probably seen it), intimating that I must pay certain wages or arbitrate, or a strike would be likely to follow. That is one of three or four I have received during the last two years. On the 12th of September the men struck.

Q. It was a demand for an increase of wages?—A. Yes, or arbitration.

Q. You declined to accede to the demand?—A. I never declined. I never spoke a word from that day to this to any of our men about it, because I never had any one to speak to me. I never had, directly or indirectly, communication with any of our employés about it.

Q. This document you speak of, containing the demands of the workmen, was delivered to you some days before the strike occurred?—A. I think I have got it here. It was mailed to me on the 24th of August.

Q. You say the strike occurred on the 12th of September?—A. The 12th of September.

Q. And you got that document somewhere about the 24th of August?—A. I got it, I suppose, on the 25th.

Q. Did you make any response to it?—A. No, sir.

Q. Why?—A. Because I had nothing to say.

Q. You did not propose to treat with them on that basis?—A. If a man were to ask me whether I would arbitrate a thing, and if the arbitrator were to decide against me, I would have to commit suicide, I should certainly refuse. I never arbitrate a thing where it means absolutely extermination to me if the decision is against me.

Q. I was just simply trying to reach the fact here?—A. I have been getting these notices for years, and I simply did with this as I did with all the rest.

Q. Did you not anticipate trouble if there was no conference held with these people?—A. I did not know. I had a similar demand made about a year before and nothing came of it.

Q. Do I understand you to say you would have been willing to arbitrate this?—A. I did not say anything of the kind. I simply stated that when I received this communication——

Q. I understood you to say that you were always willing to arbitrate?—A. Always when the question was one which I thought proper for arbitration.

Q. Do you think this is a question proper for arbitration?—A. No, sir.

Q. Therefore you would not arbitrate?—A. Therefore I did what I do with every other proposition I did not care to discuss, I simply did nothing.

Q. The result was that all of these men abandoned work?—A. A great many, the most of them did.

Q. These 1,840 men, workmen working under ground in August?—A. Practically all of them stopped.

Q. And the 1,279 in the preparation department?—A. The most of them stopped except the foremen and men of that kind.

Q. And the 366 in the outside department?—A. Some stopped and some did not.

Q. Practically nearly all the men who were engaged in mining and preparing coal?—A. They practically all stopped.

Q. Now, I would like to ask whether you lost anything by that strike?—A. Yes, sir; we lost a great deal of money.

Q. The men have lost a great deal by it also?—A. I suppose they have. In August, I think, we paid out $130,000 in wages. In the month in which we were suspended entirely we paid out every day, as near as I can figure it, about $1,000. It cost us $1,000 a day to be idle in addition to losing all that we might have made on mining coal. We paid out in cold cash $1,000 a day every day we were stopped.

Q. You paid that to whom?—A. To our organization and for pumping, and other necessary expenses.

Q. What you call dead work?—A. No; that is distinct from dead work—it is a different thing. We did not do any dead work proper. That is such work as driving gangways, airways, etc. By it, I mean keeping the pumps running to keep the water out of the mines, feeding our mules, paying the foremen, watchmen, and clerks; in a concern like ours you can not discharge the men who form the organization, and who have been with us for years.

Q. That cost about $1,000 a day?—A. About that, as near as I can figure it.

Q. In the mean time you were doing nothing?—A. That is as far as mining was concerned.

Q. Besides that loss, there was a heavy loss in what you otherwise would have realized on your business?—A. Of course. We lost whatever we would have realized on our plant, and we had to pay taxes, rents, insurance, etc. We also had the selling department to pay, which extends over a large part of the United States. We tried to reduce its expenses by buying and selling and trading in coal.

Q. Can you tell the committee how much coal, approximately, was on hand anywhere at the commencement of this strike?—A. I suppose there must have been between 40,000 and 60,000 tons.

Q. That was yours; I mean anthracite coal on hand, the total of all the operators?—A. I have no idea.

Q. How much did coal advance in price per ton after the strike?—A. That is a very difficult question to answer, because it depends upon what kind it was. I really do not know, because I do not attend to that part of the business myself, but there was a decided advance.

Q. Do you know what coal was worth in September after this strike began?—A. At what point?

Q. Say at the collieries.—A. I really do not know. It is not because I do not want to tell you.

Q. Do you know what it was in Philadelphia?—A. I do not attend to that part of the business and I do not know. What you want to get at is the advance. I think the local advance at the mines was about $1, bmt what it was exactly I do not know.

Q. You had 50,000 to 60,000 tons of coal stored at various points of distribution?—A. Exactly.

Q. How much did the amount of coal increase in value per ton by reason of that price?—A. We had not only this large amount of coal on hand, but we had also a large amount of orders on hand which had to be filled at the old price.

Q. Did that absorb all of it?—A. No; but a very large proportion of it. We may have made on the advance of coal $30,000 to $35,000, but I think $25,000 to $30,000 would cover it, because we had a great many contracts that we had to fill at the old prices. The general principle and policy in our business is neither to have a great stock on hand or a large number of orders; we try, as near as possible, to sell from day to day the production. (See statement on page 8, afterwards furnished, showing more coal sold than on hand.)

Q. You think that would cover the advantages you received from the strike?—A. I think $30,000 would cover it.

Q. That would not more than pay your dead loss for a month?—A. Of course not. We lost a great deal more than that.

Q. I say for a month?—A. I think what we lost the first month would about even up what we made on the coal.

Q. You have had a great deal of trouble with the men in this same direction, have you not? You said you had frequent demands.—A. Within the last eighteen months we have had several.

Q. This has been common to all the operators, has it not?—A. It has been common to all people who employ others to work for them, I suppose, from the time of Adam.

Q. It has been too common in the mining country?—A. We had a strike in 1869 which lasted six months; we had one in 1875 which lasted six months. This is the third of that duration.

Q. Was there any determination finally reached by the operators, in view of this perpetual annoyance, to resist it?—A. No, sir. I want to say right here that my action in regard to this matter was agreed upon between myself and brother without any regard to other operators. In fact, we did not know when we took our stand what other operators were going to do.

Q. Do you mean to say that there was no sort of understanding among the operators of making common cause?—A. No, sir. Two or three of my personal friends may have talked over the matter with me, but there was no general understanding and there was no meeting of the operators or acting together until long after the strike had started.

Q. After it started did they determine then to join hands in order to settle it finally one way or another?—A. No, sir.

Q. There has never been any sort of understanding?—A. They talked together; they talked the thing over, but there have only been two conferences.

Q. There have been some conferences?—A. There have been only two conferences. When people are in that condition they meet occasionally, but there has been no agreement in the sense that everybody has bound themselves to do so and so. The position taken by the operators was taken originally without any conference. I myself did not know what some of the operators were going to do.

Q. Is it not a fact that the operators who are at work are to share with those whose men are out, in the losses?—A. No, sir; not one cent. I tell you I never got one dollar from anybody, directly or indirectly. Everything we have lost must come out of our own pocket and is gone to profit and loss. There has been no arrangement of that kind, and I might just as well say openly here that that idea is a mistaken one. On the other hand, every operator who is working is making every cent he can, and will keep it. There has only been a couple of times during the strike that any number of operators have met together.

Q. It is a fact that those operators who have been going on with their work have been making considerable money by reason of the advance in the price of coal?—A. Yes; but of course I have not seen their books. I hear that during the months of November and December they made very little more than they did at the ordinary price, in consequence of the greatly increased cost; but I do not know this.

Q. How has there been an increase in cost?—A. In the Schuylkill region, to which I am referring, there was an increase of 20 odd per cent. in wages. There was the 8 per cent. advance, and then there was a 12 per cent. advance on that. We do not work under that system.

Q. How about the Wyoming region?—A. They made no change. They are working under what is known as the fixed scale.

Q. Let me ask you this direct question: Do you think that the demands of the miners, as contained in this paper directed to you, are unreasonable?—A. As I just told you, gentlemen, I will give you the honest truth. If I had paid those wages and taken all the money I got for the coal, I would have to borrow from $15,000 to $20,000 a month to pay my men their wages.

Q. That is, if you had acceded to this request, and the prices of coal had remained at what they have been for the last two years?—A. (Interrupting.) I would have had to borrow from $10,000 to $25,000 a month to pay my wages. That was exactly the fact that decided me.

Q. That brings me then to the question that I want to ask, and conclude the matter so far as I am concerned. Upon what basis of calculation do you reach the conclusion that it would have been a losing business to you to pay those wages?—A. I suppose there is in this country no man who has given more attention to the details of cost of mining anthracite coal than I. It has been the study of my life. I am naturally a mathematician. If I had not been forced into coal mining by my surroundings I would have been a professor of mathematics. The coal we have mined in the last two years, without allowing any interest on our capital, anything for depreciation (and you gentlemen will agree with me that a coal mine does not grow better from constant working) has cost within 12 cents of what we got for it. That is, the difference between what the coal cost and what we sold it for was almost 12 cents. Now, although it is impossible to tell exactly every cost that should enter into the cost of coal, as near as I can make it out it was about 12 cents a ton margin on the coal that we had mined during last two years. It requires an enormous amount of capital, which should bear interest, to get out the coal and keep up all the departments. We have made no charge for interest on the plant and no charge for depreciation of the plant. In other words, gentlemen, if we had had the money that we have put in the mining invested in a mortgage at 5 per cent., and had we done nothing, we would have been better off in the last two years.

Q. Let us see; without counting any interest whatever on your investment, and without counting the depreciation in the value of the property, you have made, according to your estimate, about 12 cents a ton?—A. It is somewhere between 8 and 12 cents; I have given the outside figures.

Q. If you exclude the items mentioned, of interest and depreciation, then what do you embrace in the cost to you?—A. What we pay to the men.

Q. You pay so much to the miner?—A. We pay the miner and other men under ground, and for mules, locomotives, ropes, etc.

Q. That is the beginning of it?—A. No; that is not the beginning. You start a slope or shaft, and it takes one, two, and three years before you can ship coal. This involves a large plant, and to get a colliery ready costs from $200,000 to $400,000; all the while your interest account is running on. You have got to put in your pumps; you have got to put up boilers, engines, etc; you have to build a breaker to prepare the coal, and you have to purchase mules, rails, etc., to do the transportation; you must lay tracks, set your timber, and you have to get your superintendents and organization.

Q. That constitutes the cost of the plant; that is your investment?—A. That is what you have got to pay for, and all that must be kept up.

Q. That is repairs. You have excluded, as I understand, the depreciation of the property and the interest upon the investment?—A. Repairs are different from depreciation. We keep that separate.

Q. I understand that, but depreciation, aside from the repairs and the money invested, you have excluded from that computation?—A. Exactly.

Q. Well, now, we will begin with the mining. If you can I would be very glad to get from you what I have not been able to get, and that is, I would like something like an itemized statement of the cost of producing a ton of coal; that is, the items of cost entering into the production of a ton of coal.—A. I could have given the items of cost if I had known what you want exactly. The first is the price we pay the miner for cutting and loading coal. The second place is the money you pay to the miner who drives a gangway, which is an opening like laying out a street. You know a mine is laid out like the streets of a town; and you can imagine that each miner has a lot which he works. You have got to put the tracks down, and make ditches for drainage and guttering. In fact, a mine is like a street turned up that way [illustrating]. You have guttering to keep in order, etc. Now, you have to pay the miner so much a yard for driving the gangway (or street). Then you have to lay the railroad, and put in the timber which the law requires. That is what operators call dead work. You must arrange to hoist the coal, etc.

Q. When you get that done the miner goes in with his implements and goes to work. Now, let us take say August, 1887, just previous to this strike, on the basis of your operations at that time; how much did you pay your miners ordinarily per ton for cutting the coal?—A. There are so many places, I do not remember exactly, and I can not give you exactly the figures. It varies in every mine, in every breast.

(See appended statement subsequently furnished by Mr. Coxe.)

Q. Do you pay by the wagon?—A. Sometimes by the wagon and sometimes by the yard.

Q. Take it by the wagon or car; what will these cars ordinarily average; how many tons?—A. The cars vary very much in the different mines. They vary from one mine to another.

Q. Well, take the average mine.—A. I think we expect the car to yield nearly 2 tons, but we do not average that through all our mines. If we have a mine where we can sell coal in large pieces the car will average more than a mine where we break up the coal.

Q. Let us see if that is correct. It has been stated to this committee by practical miners that cars average ordinarily about 2½ tons, and that a miner and a miner's laborer working together can load about five of these cars in a day of ten hours' work. Do you agree to that?—A. No, sir; because we have no car that holds that. Our cars hold 91 or 92 cubic feet, that is about 48 cubic feet to the ton. Then there comes the question whether you count clean coal in making up the ton. Our cars do not average anything like 2 tons of prepared coal, that is the sizes paid for.

Q. You have done this, Mr. Coxe; say here is the cost covering a certain period; you can know just how much coal you have mined; you can know just how much money you have paid out for that particular amount of coal, and you know how much you sold it for, and you know whether you got a profit or loss on it, and know the amount you made or lost per ton. That is one way of doing it. But, as a practical man and having given the subject, in all its details, a great deal of thought, ought not you to be able, and can not you go the other way and undertake to explain the items of cost and the average amount of those items? How much the miners ought to get out of it, and how much the laborer ought to get out of it, and so on?—A. We have nothing to do with the laborer; we pay the miner and he pays the laborer.

Q. How much do you pay the miners?—A. The miner by the day, at our places, earns $12.10 a week, on the basis of $5.

Q. Do you do contract mining?—A. Do you want to know what the miners average?

Q. Yes.—A. I can give you that. I have with me July and August, two months previous to the strike. We had about 768 miners, and the total, dividing the amount paid to the 768 miners by 768, gives an average for the months of July and August of $49.81 per month.

Q. That is not what I want; that is not the question. If I could go into a mine as a miner and mine coal under contract with you, what sort of a contract would you make?—A. There are three kinds of contracts we make. One would be to pay you so much a car——

Q. Stop right there; how much would you pay a car?—A. If you were working at Drifton, our price would be 87 cents on the basis. If coal went above $5, it would increase 10 per cent.

Q. Five dollars at tide-water?—A. The circular price.

Q. On that basis you would pay me 87 cents a car?—A. Exactly.

Q. Well, at Drifton, how many cars could the average miner with his laborer get out in a day of ten hours?—A. That varies from one breast to another; it varies very much.

Q. Can not you give me some notion?—A. They run from five to seven. That is, in a good ordinary breast. At Drifton, a good many breasts are worked singly; it is not like big vein breasts.

Q. We might approximate it by following one line; say five cars per day at 87 cents a car, the miner and his laborer would make $4.35?—A. He would have to pay his expenses out of that.

Q, That is his gross earnings. From that is to be deducted his expenses; about one-third of that he would pay to his laborer?—A. He pay to his laborer in our region $1.80 a day.

Q. We calculate, then, on that basis that would be $1.80 from that?—A. Yes.

Q. That would leave the miner, subtracting $1.80 from $4.35, $2.55 as gross earnings, from which are to be subtracted his expenses. Now, at what do you estimate that?—A. That I could not tell.

Q. What are his expenses; what constitute his expenses?—A. His powder and oil, blasting-barrel, cotton, and squib.

Q. Could you give me some notion about it in order that I might get an idea?—A. I would be perfectly willing if I could, and if I had had any idea you wanted it I could have gotten it up. All I can say is, I got the gross result, and the average of the men working for us in July and August, after paying all expenses, were paid $49.81 per month. These figures are correct. That includes all men working over ten days. That is net—that is, I took the total amount of money that we paid for our men.

Q. You can not give it, then?—A. I can not now, because there are so many things connected with every breast; everyone is different.

Q. I will ask you if the $49.81 were the net earnings of your miners at that time?—A. Yes, sir; what we paid every man. If he lived in a house of ours we deducted the rent. That was exactly the amount we paid in cash to the men. If we multiply 768 by $49.81 the total will give exactly the amount of cash we paid to our contract miners in the months of July and August, and that is the point you want to get at.

Q. How many days were these men at work in July and August?—A. I can not tell, for this reason: We do not keep the time of the men who work under contract, but I presume they probably average from twenty-three, twenty-four, or twenty-five days in each of these two months. I can tell you the number of days the breaker ran. In July and August the breaker averaged twenty-four days. Then, taking the total number of hours the nine breakers worked and dividing it by 90, gives twenty-four days as the average number of days worked by each breaker.

Q. Now, let me understand; your miners, during July and August, averaged $49.81 in wages per month?—A. They made double that amount in two months.

Q. I am taking the monthly average?—A. Yes, the average of those two months was $49.81.

Q. Was it about equal each month?—A. I think it was about equal. No; they made a little more in August, because July 4 was "American Day."

Q. Have you the amount in each month?—A. No; I had it averaged in the two months together. It is $49.81, and from April 1 to July 1, as an average, they made $47.16 in each of those three months.

Q. The average then was $47 and $49?—A. In July and August it was $49.81, and in the three previous months it was $47.16.

Q. That was the net earnings of the miner after taking out the labor?—A. That is what we paid him in cash.

Q. Did he have to pay anything out of that?—A. Nothing to us.

Q. Did he pay the labor out of that?—A. No; his laborer was paid.

Q. You paid his laborer?—A. Yes; he turned in so much time for his laborer and we paid it.

Q. Do you furnish powder?—A. Powder, oil, and all that, and after deducting all that we paid the average to the men in April, May, and June, at $47.16, and July and August at $49.81.

Q. You make that out as net earnings?—A. That is the net earnings absolutely. This is his net earnings. Of course there are men who make $60, $70, and $80. Some of them make more than others, but taking all contract miners the average net earnings of these 768 employés of Coxe Bros. & Co. during those months was what I have given.

Q. This is as full a statement as you can make; you can not take the earnings of each individual miner?—A. I wanted to have this, because I thought you would ask this question, but I thought it would give more information if I figured upon it that way, and that I say is for those 768 miners.

Q. Men who were actually engaged in mining?—A. They are all men who are contract miners and those men received 768 times $49.81 each of those months. That is the absolute net earnings of the contract miners of Coxe Bros. & Co. in the nine mines which we run. Of course I could make up a statement of certain places where they do better than others, but in order to give you a fair estimate, I have taken every miner who worked over ten days. If we have a man working for a few days, to put him in would not be fair to the others.

Q. In making that calculation you took the total amount of money that you had paid them and you divided that by the number of men—by 768?—A. Yes. Probably one month it may have been 765 or 769, but that is the number we divided it by. There is no day in the year that Coxe Bros. & Co. have exactly the same number of men.

Q. That embraces, then, about all the miners you had?—A. All the miners we had, unless they were men who worked for a few days, or were sick and came on later in the month, or quit early in the month.

Q. There is another question there; did you pay that money to those men in cash?—A. Absolutely; if a man rented a house we deducted the rents, but nothing else.

Q. No store account?—A. No, sir.

Q. Any doctor's bill?—A. No, sir; Coxe Bros. & Co. deduct nothing on that account.

Q. Have you a store?—A. We have a store, but our men go there and buy for cash and pay cash.

Q. They pay cash when they buy?—A. They pay cash when they buy or at the end of the month. I mean this: If a man owes us $20 in the store and we owe him $25 and he comes to our office, we pay him $25 and do not deduct the $20. We will use every remedy that the law allows us, as any other store-keeper would do, to collect the money owed to us by legal process. I never liked the store system. We used to collect in times gone by for the butcher, the doctor, the priest, and for the store, but gradually as time went by we dropped one after the other, until about eighteen months ago (I think it is) we stopped all collecting, and we have absolutely collected nothing for two years. If a man rents a house from us we collect the rent and also his taxes, as the law requires that. The collector comes to our office and furnishes us with a list. We have a certificate from Mr. McGarvey here [alluding to a gentleman in the room] that such taxes are owing. Outside of that we collect absolutely nothing. We pay our men in cash in envelopes. When I tell you we pay at Drifton 2,000 men in an hour and five minutes you will see that we do not lose any time.

Q. In collecting these taxes it has been stated that the operators retain about 2 per cent.?—A. The law of Pennsylvania says that the operator must do this, and therefor is to receive 2 per cent. (See law appended.) That statute provides that each operator must collect it. If we neglect to collect we must pay it ourselves, and for the labor of collecting we are allowed 2 per cent. This is under a law which has been in force over twenty years, passed about 1866.

Q. Is the policy which you pursue in reference to the stores general in that region?—A. I do not think it is.

Q. The general policy is to run accounts and to collect them?—A. I think most of the companies do that.

Q. Is not that very demoralizing?—A. I do not know; we do not do it; we dropped it.

Q. Do not people run in debt that way?—A. I have known men to be in debt from the day they went into employment until the day they died.

Q. Do you allow men to go into debt to the store?—A. If the man does not pay a bill we will not sell him any more goods except in case of sickness, and our instructions to the store-keeper there are not to allow men to go into debt there. It is the curse of our country. It is one that has done great harm to us. There is no man in Pennsylvania who feels more strongly than I do in regard to the store system. I think it encourages extravagance. Of our own motion, our firm, two years ago, dropped it, and we do not collect anything. I would prefer to have no store, but we try to run our store on the basis of fixing low prices for goods, and I am satisfied——

Q. As to that, are prices charged by you greater or the same as those charged by others?—A. I do not know about that, but my instructions are to sell as low as possible. We sold last year very nearly $200,000 worth of goods to our men. We have very fine stores, they cost a good deal of money and carry a large stock, and without charging any interest on the capital invested in those stores, the net profits of our stores was 5½ per cent. on the gross sales. Most all of that may be wiped out. We do not know how many men who owe a large amount of money when they stopped will return.

Q. I understand, after paying the expenses of running the store, that you have made only 5½ per cent. on the gross sales without reference to losses?—A. I deducted as losses the debts of the men who have gone away. This is our business for the last year: Our total sales of all stores, $182,227.22, and assuming that every man who is living in our houses (there has been a great deal said about our turning people out; I have never turned a man out of a house during a strike; Mr. McGarvey here is living in one of them now) is going to pay his debts, which I believe most of them will, there is a gross profit of $10,741, which is about 5½ per cent. It is 5½ per cent. or maybe 6 per cent. Now, understand, gentlemen, I assume in making that profit that every man living in a house will pay his debts, and I do not charge it up. We have three large stores, which I suppose are worth fully $25,000 to $30,000, and we carry a stock in them of probably $60,000 to $70,000. The stock on hand in the stores, wagons, etc., and the buildings are worth about $130,000. And we made on our sales 5½ per cent., or say 6 per cent. We did not want to drive our competitors out of business and we do not ask anybody to buy in our stores. We do not hold out any inducements except the same as every store-keeper. And I want to be able to say, and I think I can say it honestly, that the men who work for Coxe Bros. & Co. and who buy in their stores can buy as cheaply as they can in any other place in our section of the country, and you must remember that we give our store the advantage of buying strictly for cash in large quantities and taking every discount there is.

Q. Are these men who are on the strike in your debt on the store accounts?—A. Yes, sir; about $6,000.

Q. Did you pay them up after the strike, notwithstanding the fact they were in debt?—A. We did not deduct a cent. The pay office knows nothing about the store, whether a man is indebted or not. Our monthly rent account is about $4,200, and, of course, the men who have not been working have not paid rent for six months. Probably $12,000 to $15,000 are due for back rent, and probably $6,000 are due at the stores. I have here a statement of the rents charged for houses; do you care about hearing that?

Q. How much?—A. We have one house that rents for 25 cents, five at 50 cents, four at $1, twenty-nine at $1.50, forty-four at $2, one at $2.40, three at $2.50, twenty-five at $2.75, ten at $3, one at $3.20, thirteen at $3.25, one at $3.45, ten at $3.50, twenty at $3.60, three hundred and forty-eight at $4, one at $4.10, one at $4.35, twenty-four at $4.50. twenty-eight at $4.60, forty-five at $4.75, one hundred and thirty-one at $5, three at $5.25, and one hundred and nineteen at $5.50. Then we have sixty-four houses that rent for $1 that are not on that list.

Q. What sort of a house do you rent for 50 cents?—A. That is some sort of a shanty that perhaps some bachelor lives in, we must ask something. and some man probably lives in there by himself, "*batches*," as they say. The houses that rent for $1 and $1.50 and $2 a month, are old houses that we have inherited, not built.

Q. Are these people who are getting nearly $50 a month renting these houses?—A. Most of these men live in houses like these (exhibiting plan of houses and explaining one). These are standard houses, renting for $3.50 and $5. These houses rent for $4 (explaining the other plan), this has two rooms down stairs and two up and an out kitchen 12 by 12. You see there are two doors on each side and two doors front and two oors back, and each dwelling has an outside kitchen. There are good ellars, they are all plastered and all arranged so that the residents do not have to go through each other's rooms. These are the $4 houses.

Q. How much would they cost?—A. I paid lately $1,250 for such blocks, but the painting was not in. After they are fenced and are painted the street will be laid out so as to make things decent around them.

Q. How are they built?—A. They are plain on the outside and plastered and whitecoated on the inside.

Q. You say it cost $1,250?—A. No; $1,250 just to build the houses without paint or fence or anything else.

Q. Two families live in there?—A. There are four houses together.

Q. Then four families live in there?—A. Yes, sir.

Q. And you got for the block $16 per month?—A. Yes, sir. Now here is this house, a $5.50 house; you will see this house has three rooms down stairs and two rooms up.

Q. How many families live in it?—A. Two.

Q. What do they cost?—A. To build those houses, we paid $850, and the contractor claims he lost $150 apiece on them; I do not think he did. Repairs cost a good deal.

Q. They cost about $900?—A. Yes, of course, they will have to be fenced, and a street laid out and all that.

Q. And you rent them for $10?—A. These are rented for $11, $5.50 apiece. This is the ground plan (exhibiting plan).

Q. Are these buildings usually painted?—A. Our buildings are all painted; that is, all these houses are what we call our houses. We have a lot of these old things we are trying gradually to get rid of as fast as we can or to improve. We do not insure the houses, and we lost four the other day, and every now and then one burns down. We prefer, wherever they can, for our men to build their own houses, and to live in their own houses. There is a great deal of trouble and a great deal of expense in fixing them up as the people shift backwards and forwards.

Q. From your statement of this whole case, do you not think if you were to get with your men and make this same showing to them, that you would be able to effect some sort of a fair settlement all around?—A. We will get settled after awhile. It is not the first or the second or the third time; it is like the measles; they occur periodically.

Q. They want to arbitrate?—A. We can not arbitrate. I will not go into an arbitration where, if the decision is against me, I will have to say I can not abide by it. The position is about it that the Lehigh region has all it can do to hold its opposition in the trade; formerly we got extra prices on account of our hard coal, but we have mined out a great deal of meat and we are gradually getting down to where it is a skin and bone fight.

Q. Will you file this paper (referring to a statement of house rents)?—(See exhibit in appendix to Mr. Coxe's testimony.) A. I have no objection, if you want it; there are some other houses I did not put in there, because we have some large houses rented by superintendents, etc., but they explain nothing in this investigation. These other sixty-four houses, we rent them at $1 a month at Beaver Meadow.

By Mr. PARKER:

Q. Does that $49.81 include bosses and superintendents?—A. That is exactly what the men got in cash from us.

Q. Does it include bosses?—A. No; these are only contract miners, men who work by contract and have a contract with the company. I wish to say that if I refuse to answer questions it is because I can not; but whatever the question may be, I do not object to being asked to go right to the bottom of it; I will not dodge.

Q. Another item of complaint of these parties has been as to the dockage; men have said they were unjustly treated in the amount of dockage made?—A. That is the most difficult question in the management of the mining department. The position is this, and you can understand it: Nobody wants the dockage, but you make a contract with a man to deliver you a barrel of flour for so much; now if he puts something deleterious in it, it is not only you get that much less flour, but you have to go to the expense of getting it out. If the slate gets into the coal the parties who purchase it have a prejudice against buying slaty coal; sometimes a few hundred pounds of slate in a car of coal will force you to make a reduction of 15 or 20 cents a ton. The idea of dockage is to force the miner to keep his coal clean. I am far from saying that there have not been many cases of dockage which have been unjust. I have been less able to see my way clear in dealing fairly with the dockage question than with any other part of my business. The point is, if you do not dock, two or three men loading dirty coal may throw the breaker back so we would lose perhaps 20 tons a day in production.

Q. Then you dock as a matter of rejecting the amount of improper matter mixed with the coal, and also as a matter of discipline?—A. The theory is that when a man loads with the coal 10 cents worth of slate (value of equivalent quantity of coal) and it costs you 25 cents to get the slate out of the coal, he should be docked 35 cents. My rule is—a good many rules are like good intentions, they do not always pan out—my rule is, if a man does not generally load clean coal, to get rid of him: when a man's coal is too dirty we first send the check back, which is a notice that if he continues to do so he will be discharged.

Q. Then dockage is sometimes used as a matter of discipline?—A. The theory of dockage is that it should be used to make it the interest of the miner to load clean coal.

Q. Mr. Evans stated to us that sometimes the whole wagon load was stopped?—A. Yes; if a man sent out a car of coal that it should cost you more to clean it than it was worth we would dock the whole car load. If you have any product and it is mixed with other impurities which will cost more to get out than the product is worth, then the dockage, as I said before, is very badly needed.

Q. Mr. Evans suggested, in answer to the question, that the men desired to have a representative of their own with the company's men who fixed the amount of dockage, so they could act together, and, if they failed, they should arbitrate and have an adjustment?—A. There is no reason whatever that the men should not have one of their own employés at the breaker; they are entitled to it and there is reason why they should. I opposed the dockage bill last year before the legislature. The reason of that was, that if the dockage bill passed there was nothing for the companies to do but stop allowing the miners to load coal and load it themselves. If there is not some way in which it is made to the interest of the miner to load clean coal we can not run our breakers. There are lots of men who load their coal nice and clean, but there are other fellows who will not. One man, the first miner who ever worked for me, he got to loading coal dirtier and dirtier, until finally we shifted out his cars on a side track and sent for him; he came up there and looked at it and he said this: "What God has joined together let no man put asunder; and God has joined the coal and slate together." There are lots of men I know, who have worked for me for years, with whom I can get along without dockage, but there are other men with whom I could not.

Q. In every case you have to dock a man the dockage is made out?—A. Yes, sir; our rule is, when we find we have got to dock a man too much to tell him we do not want him. In one of the places we have, where it is impossible for the men to load coal clean, we have a refund; that is to say, the mining boss, before the dockage-sheet is put up, goes to the breaker boss and informs him how much, if any, of the dockage should be refunded to any miner who could not reasonably be expected to clean his coal. The dockage business is the most difficult and troublesome question that we have.

Q. Then, I understand, it is probable that the men are sometimes, and perhaps often, injured by reason of the manner in which the dockage is done?—A. Of course, that is natural; but the operators are not so bad as they are represented..

Q. How much was the highest amount, say, made in July and August by the most of the Lehigh miners; about how much?—A. I could not tell you; there are plenty of men who will make $70 to $80; not a plenty, but a good many of them. One man will drive 10, 15, and 20 yards more than another, apparently with the same amount of work—than another under the same circumstances.

Q. Now the men have told us that if the employer should say to them that they could not afford to pay the advance of wages, they were ready to yield to the demand; now has there been any negotiation or endeavor to show the men that you could not afford to pay this demand?—A. I never have had any communication directly or indirectly or in any shape or form from any man who worked for me of any such desire on the part of any of them. I have often met my men and talked to them. The last strike we had (or lockout) they held a meeting and sent for me to come there and talk to them, and I went and talked to them for about an hour and a half and they went to work.

Q. There has been no effort on either side to compromise this strike?—A. I do not know anything the other side has done; we have just shut up and stopped, that is all.

Q. It has been stated, and it was really developed from both sides, that the end of this involves the recognition of the Knights of Labor as such?—A. The position Coxe Bros. & Co. take, and have always taken—it does not make any difference to us whether the men belong to any association or not. I do not care what association they belong to or what politics they have; it is none of my business; but when it came to the question, I was always willing and anxious to deal with my own men, and I expect to always; but I want to deal with the men who are interested in the particular question that I have got to settle. I have been doing that for twenty-two years.

Q. Has there not been a withholding from the men because they presented the negotiation in a manner which required you to negotiate with men who were not in your employ and had not been?—A. This is not the first time I have been in this position. I simply treated this as I did the others for the last ten or fifteen years.

Q. Has not that position been taken in this case, that their method of negotiating required recognition of their officials, and you have not been inclined to do that?—A. My position is simply this—not because they were Knights of Labor or anything else—I have always said I would deal with my own men, but I do not want to deal with outsiders; it is no matter to me what they are or who they are.

Q. It is somewhat peculiar about that; the Reading Company take the ground—— —A. (Interrupting.) Don't ask me to account for the Reading. The Reading Company made the contracts with their men that if our men kept out they would pay them as long as our men kept out; that is, to the 1st of January.

Q. When the Reading men reached the point they wished they settled with the men, but I have here a paper saying, as far as they were concerned, the question as to the men and the question of negotiation was only held in abeyance until they got the terms they wanted?—A. I must say I can not undertake to account for or justify the actions of the Reading Railroad Company.

Q. Now these men who have been employed by you, what are their nationalities generally?—A. It is a general mixture. We have, I suppose, a larger number of Irishmen than any other. We have Englishmen, Welsh, a good many Americans, Pennsylvania Germans, Hungarians, and Poles, and quite a number of Italians, Tyrolese, and Austrians.

Q. Is there any material number that are not citizens and have not declared their intentions of becoming citizens?—A. I do not think there are many eligible for naturalization that are not naturalized. I think both parties look after that.

Q. Then their political tendencies tend to make them become naturalized?—A. I may say there is too much haste, if anything.

Q. Have these men who have been out so long found other labor in the vicinity?—A. The single men generally went away. A great many married men went away, but they have not staid away.

Q. Can you give me an estimate of the percentage of those who have remained away?—A. No; you know they are floating about all the time. A great many men went away simply to visit relations and some to the old country. I can say this much; there have been very few who have moved away. I do not believe, in our houses we have got there were twenty families who have moved away.

Q. Have there been a large number of idle men here all the time since the strike began?—A. You see a good many fellows walking around.

Q. Can you tell about what percentage? How do they live?—A. They live in our houses, pay no rent, get their coal from the slate banks; that is, we furnish them with fuel and shelter. Of course we do not allow them to take coal from the slate banks when they are working, and at one place we stopped them during the strike; that was at a colliery close to a town and they came for coal, but began to tear the breaker to pieces, and for that reason we stopped them.

Q. So their rent and fuel has practically been furnished by the company?—A. They have paid no rent and for no fuel.

Q. Now, how are they supported?—A. A good many of the men have some money. Some have gone away, and the Knights of Labor have furnished flour and groceries to a very large extent.

Q. Has it been the custom of your company to charge the men for a ton of coal per month at some fixed rate?—A. No, sir. We sell our men a ton of coal just as we would sell it to you or anybody else. If they want it they buy it and pay for it. I disapprove of the old system. One n burns 10 tons a year and another does not burn half that much, d he pays the same as the first. It also encourages waste.

Q. You have had a great deal of experience in these strike matters d considerable experience in matters of legislation; now, will you be od enough to suggest a remedy that can be adopted to avoid these ubles in the future and similar troubles?—A. This is but one way; st-class common schools. Both of us have much to learn.

Q. Like all the rest of Pennsylvania, are there not good opportunis for a common-school education there?—A. Oh, yes; but what I ean, the operators and the men are very much like a man and his wife, ey may quarrel and fuss but they have got to live together, and it is ly by gradually learning to understand each other that they avoid ese. As Mr. McGarvey knows, we have had such squabbles before, t it will all come right.

Q. And you look upon it as a sort of necessity of nature?—A. As I ve said over and over again, it does not worry me. When I had the st strike it almost made me sick. It is like a man when his first child s a tooth, he thinks it is dreadful, but when his third child has the teenth tooth he does to think so much of it.

Q. Can you suggest some legislative remedy that can be applied?— I tell you I do not see that all the legislation we have had has helped much. The legislation requiring men to be paid in cash is good, and hink that we should have some system by which the men could have representative with the docking boss, but I doubt whether we shall could be helped much by legislation. There must be two sides to a ntract. If there is some way by which coal could be inspected bee it went to the breaker and have the car clean I think it would be ll.

Q. Some of the witnesses representing the striking miners at Hazlo n stated to us that as human beings their condition had become un arable by reason of the continual pressure of rents, doctors' bills, dock e, and the company stores, and the taxes they were required to pay d the profits on powder, and that all these things had been increased on them while their wages decreased in price, and that all these ings had brought them into a condition where it was unbearable and ey had to strike?—A. Coxe Bros. & Co. have a standard car, and pay e men a price which is based upon the cubic contents of the car, and is figured to the hundredth part of a foot. As to doctors' bills, we ve nothing to do with them, and the men pay the doctor themselves. ere always is, and I suppose there always will be in the business, a ndency of each side to try to do the best they can for themselves, and s produces a strike in many cases.

Q. Now, one of the effects, as you have shown very clearly, of the ike was to put upon the consumer about $1 per ton additional cost his fuel?—A. That was for a short time.

Q. How is the price fixed at these points either East or West, outside Pennsylvania where your coal is disposed of?—A. We try to get all can.

Q. And there is no fixed price?—A. The general sales agents get tother and they agree upon what they think the market will stand.

Q. The general sales agents, whom do they represent?—A. They present the parties who mine and sell coal.

Q. The different parties in the whole anthracite region?—A. Yes. The different sections of the country have different points at which y quote the prices. The meeting is really to talk over the situation, get information as to what the market will stand. If they are going to make an advance or decline they try to make it together, so that the market will not be disorganized.

Q. The general sales agents represent all the anthracite coal producers there are in the world?—A. No; there is anthracite coal in South Wales, some of which has been shipped to Texas.

Q. Do you call that substantially anthracite?—A. It is anthracite. The difference between that and our anthracite is, that it will fly all to pieces and split up in the fire more than ours.

Q. Except Wales, this region practically represents all the anthracite?—A. There is anthracite in Colorado, and lately, within the last year, it has been discovered on the line of the Canada Pacific Railroad' I think they have found anthracite coal there that may be coming into competition with us in the Northwest.

Q. None of those mines come into competition with you at Boston, New York, Chicago and Minnesota points?—A. No, sir; our great competition is coke, bituminous coal, natural gases, and the artificial gases of bitumous coal. Bitumous coal is driving us out of some markets for certain uses.

Q. Well, now, is there not somewhere any adjustment of the output, an allotment to keep that steady and ballasted?—A. There used to be an arrangement of that sort. It was not an arrangement; rather an understanding they would stop mining.

Q. You say that they reduced the current flowing to market?—A. Which practically was a restriction.

Q. And they would stop for a certain number of days in a month or hours per day?—A. They would restrict the production in some cases. It might be done if a man ran six collieries by stopping one. If the market did not want the coal, especially if they were going to make repairs, they would lay that colliery off and repair it. There is another thing which is naturally a restriction; whenever the market will not take the coal, the cars going to tide-water first fill up the stocking ground there, and if nobody wants the coal and there are no vessels to load, they finally block up all the sidings and remain loaded, thus reducing the cars available for transportation.

Q. You mean the vessels are supplied elsewhere?—A. You do not want your vessels there; you do not want the coal.

Q. When this system is in action, who allots the amount the different producers may produce?—A. All that thing has been broken up. There have been no allotments since before the interstate-commerce act. You know the State of Pennsylvania just before that prosecuted the coal producers for getting up a combination to put up the price of coal. It was claimed that we were charging the public too much for coal.

Q. Is not this a fact, that coal going steadily to market without an understanding of the producers, it would make it lower to the consumers for a few months; then the action changes and the output is reduced by having less employment, so that the loss, if any, falls upon the miners, while the consumer pays something more for the coal than he would if the current was kept running?—A. When we have to lie idle it is practically $1,000 a day loss to us.

Q. These losses are shared between the operators and the miners?—A. The actual state of the case is this: When there is no special arrangement, if the market is falling, it goes down until coal gets below the cost of production. Suppose our coal sells at $2.25 at New York; we then get nothing and worse than nothing, and finally everybody would stop. When the price begins to get below the cost of production you shut up one colliery and then another one, and finally you get down to the number of collieries just sufficient to supply the demand at cost price. Then prices begin to rise and it causes you to open up one colliery after another again. Practically, the only money we have made (above a very low interest upon the capital we have invested), has been in the years succeeding very low prices, because, on account of the stoppage, reduction in wages and everything gets disorganized and the men go off, and when the demand increases, as it does in consequence of the low prices, the public can not get all the coal they want. I think all this idea of regulating the trade by conference or combination in the long run is bad for the coal operators.

Q. The prices at which you fix the rate—if I understand you in regard to the sales agents and others—these prices depend upon the condition of competition at the market?—A. Exactly; that is the point.

Q. So there are really two great elements which enter into the selling of coal—the cost of production and the competition at the selling point; the cost of production, as you claim, being subservient to the other?—A. The cost of production goes down with the price and the railroad tolls do so also. When the cost of coal goes down the wages go down, and in many cases the royalties; so that when coal advances, we give part to the men, the railroads take a part, and the landlords take a part of it. We are between the upper and nether mill-stone. If there is a margin left we come out whole, and if there is not, we do not.

Q. What is the royalty?—A. The highest is 53 cents a ton, and it runs down to 25 cents in the Lehigh region.

Q. Do you have a sliding scale?—A. I would have no objection myself to giving this, but that is a secret that belongs to the land-owner. I will assume that when coal sells for $3 that the royalty is a certain sum—in order not to use figures, suppose we say 70 cents; of course, that is a great deal too large. When coal advances in amount in New York, the royalty advances a certain per cent. Then if coal went up 50 per cent. this 70 cents would advance a certain per cent. That is a sliding scale, and that is really the only safe method of making a royalty to run any number of years, because nobody knows what will take place—during the war for instance, when coal went up to $13 and $14 a ton; indeed many could not get it. In that way the land-owner would get a fair share, and in a period of great depression the royalty would be fair.

Q. In your opinion what would be the effect of making all coal free of customs duty?—A. I think it would be a very good thing.

Q. Why?—A. Because we would send three tons to Canada to half a ton they would send here. The great coal producing interests of Pennsylvania, West Virginia, Ohio, Indiana, and Illinois are united and lie within a comparatively short distance of the Great Lakes. In Canada there is no coal west of Nova Scotia that can reach the Canadian lakes. We meet about Montreal. They can ship into New England, but the amount would not be very great, and we would ship into Canada, via the Lakes, three tons to their one. It is simply a question of cash. I mean, if Canada would let our coal in free of duty we would make three to one. What is now paid for duty would carry coal much farther into that country and would drive wood out of the market in many places. Anthracite coal is used mostly for domestic purposes.

Q. Then the removal of the tariff, if I understand you, would increase the field of sale?—A. For our business.

Q. Would it benefit you if it did not raise the price of coal?—A. The tariff would not affect the price of anthracite coal, because we do not compete with foreign coal.

Q. Then you would simply sell more coal?—A. We would push the market farther into Canada.

Q. Would not the increased amount of coal sold increase the price of coal?—A. It would help, but not exactly by an increase in prices.

Q. This removal of the tariff upon coal would have the effect to make coal higher to the consumers in the States of New York, New England, and Minnesota would it not?—A. Not appreciably. It would help us by allowing an increased output. If we advance the price above what we now get, we would be driven out of many markets by soft coal. We could not get the price up, because of the competition of soft coal.

Q. If there was no custom duty upon coal would you not meet European competition upon the coasts of the Atlantic States?—A. I do not think taking the tariff off coal would affect anthracite much; if it did it would rather help us, if the Canadians take their tariff off. Of course if we take our tariff off and the Canadians do not, then my remarks would all fall to the ground. What I say is this: If there was a reciprocity treaty by which our coal would be let into Canada in consideration of our letting theirs in here, it would be a rather good thing for us.

Q. In your plan you would omit the fish question and the production of the farmers?—A. I do not know anything about fish, I am only talking about coal. You asked me about the coal business.

Q. In which inspection district are your mines situated?—A. Practically Mr. Roderick's. We have one in another district.

Q. That is No. 4, I believe; that is Mr. Roderick's?—A. I do not know, but I believe it is.

Q. The Reading Railroad strike, I believe, originated at Elizabethport?—A. Yes, sir; and at Port Richmond.

Q. Now, the trouble at Elizabethport is reported to have arisen because the Reading operators were said to have attempted to fill one of your boats with the Reading Coal and Iron Company coal?—A. Cox, Bros. & Co. buy and sell a great deal of coal, and being about out of business as operators in consequence of our strike, we purchased from the Reading Coal and Iron Company and other parties thousands and tens of thousands tons of coal. We purchased, among other things, 400 to 500 tons of broken coal from the Reading Company, and we sent our boat to Elizabethport for the coal, as it was to be delivered f. o. b. When the boat got there they telephoned up that the men would not load the boat, and to send another. We sent word back that we bought that coal and sent our boat there for it, and wanted it loaded. They then offered to deliver the coal to us in their own boats at any point in New York Harbor we wished at 25 cents a ton freight, whatever the freight might be. That we declined. We notified them, through counsel, we would apply for a mandamus to the court to compel the company to load that boat. Then they offered to deliver the coal free at any point we wanted. We declined that, and they declined to load it.

Q. Tell us why you declined that?—A. Because we have many thousand dollars worth of boats in New York Harbor; we have paid for them; they are under United States registry, and we wanted to find out whether they would have to be broken up or whether these boats could go anywhere and be loaded.

Q. What do you understand was the reason why they would not load that boat?—A. They said their men would not load it.

Q. Upon what ground?—A. Because they belonged to us and we had a strike. Then we made application to the court of Philadelphia, setting forth a statement of the facts, which I presume you have, and the judge said they were going out of the hands of the receivers in two or three days, and he could not give a mandamus; that they would be out of the jurisdiction of the court before it could be heard; that is as I understand it. The day we applied to the court for the mandamus they ordered the men to load that boat and the men declined.

Q. That was just about the time of the Reading Railroad strike?—A. Then they ordered the men the same day at the same time to put grain cars into Taylor & Co.'s sheds in Philadelphia, and the strike originated at both places.

Q. If there are any other details connected with the Elizabethport transactions we would like to have them?—A. I may say the affair was a mere accident on our part. We had been buying and selling coal and having the boats loaded all over New York Harbor, and we were as much surprised as anybody in the country. Many people thought we had set it up, but it was a mere accident. When they refused to load the boat we determined to know whether our boats could transact business or not.

Q. You proposed also to know whether the Knights of Labor were going to assist you in managing your business?—A. We have got 16 to 18 boats and they cost a great deal of money.

Q. Did not the other element come in?—A. We would have done the same thing if our boats for any other reason had been ordered away and they would not load them.

Q. Was it one boat or more?—A. Only one.

Q. Where was that to be delivered?—A. I think in New York Harbor.

Q. Was it upon an old contract that you had made before the strike to supply that coal?—A. I do not know about that. It was in the regular course of business, and the first thing I heard of it was in a letter from our New York office stating what had happened.

Q. Was not the coal intended to fill a contract which you were prevented from filling by reason of the Lehigh strike?—A. It is different coal from ours, and I do not think we could have filled a contract with it. It is coal that was bought and sold to make a commission on; that is all.

Q. Then you have no knowledge of its being intended to fill a preexisting contract?—A. I have no knowledge of that. In fact, I do not know who the coal was intended for. It was a mere accident, and it was one of those things that astonished us as much as anybody.

By Mr. ANDERSON:

Q. As I understand you, your statement was that if you had to pay more for wages than you do now, that it would practically drive you out of the business?—A. If we had to pay more than we do now, and the price of coal remains as it has been, we would practically make not even a low interest on our capital.

Q. And you said your estimate was about 12 cents a ton?—A. Yes: for 1886 and 1887, without charging interest or depreciation. Now, I want to say you can make it 8, 9, 10, 11, and 12 cents. I have given a larger figure than I would to my partner, but as near as I can estimate 11 cents is about the outside figure.

Q. Of course the coal at the breaker is not in the market, it must be transported to the market, and I think you said the freight was about $1.85 to Philadelphia. How many miles is that from your breakers?—A. It varies at the different breakers from 110 to 120 miles. It would probably average at our breakers 115 miles.

Q. What rate per ton per mile would that be?—A. It is over 1½ cents.

Q. You pay $1.85 for that transportation. Of course if that was reduced you would make a good deal more profit?—A. Of course we would.

Q. In other words, the transportation is an important factor as either the mining or anything else?—A. Yes; the point is this: We get an absolute sum from the consumer; now we have to pay an absolute sum to the railroad company. Now, if we pay 5 cents less to the railroad company, we make that 5 cents, and if we pay $1 less, we make that much.

Q. I understand you to say that one of these roads (I believe it was the Jersey Central) had a shifting scale?—A. These rates are all published. There is no secret about them; they have a sliding scale.

(See anthracite coal tariff of the New Jersey Central Railroad Company, appended to testimony.)

Q. Upon what basis do they arrange that sliding scale?—A. The shippers of coal from a certain region, who pay the same tolls to tidewater, make a return to the company at the end of the month of the total number of tons shipped and the amount realized therefor, f. o. b., in New York. The company adds together the total amounts received for all the coal and divides it by the total number of tons of coal, which gives the average rate for which all coal shipped under this system netted in New York. From this the company deducts a certain sum which is intended to cover royalty, selling expenses, etc. This leaves the price for the coal mined and transportation, and the company takes a certain percentage of this amount for transporting the coal to market, and in the case of the New Jersey Central this is represented by a fixed sum. This does not apply to the smaller sizes, which are very much less in value and which pay a little less transportation. That is to say, a fixed sum is deducted from the rate found for the large coal to determine the tolls on the small sizes. Where the company ships the coal themselves an extra charge is made for terminal facilities, but a very large proportion of the coal carried by this arrangement is shipped by the parties who own it, they having their own wharves in New York Harbor.

Q. What is the royalty referred to in the above answer?—A. The royalty means what the miner has to pay to the land-owner. You see the idea of the railroad company is, the miner has no control of that, he has got to pay that, and they do not participate in it. The idea is of the Jersey Central Railroad; the railroad gets a percentage out of any advance in coal and the balance is for the coal operator. It is a plan that was adopted for the purpose of getting something which would allow the individual operators to ship in competition with the coal mining and producing companies, because in this way, if coal goes up or down, you do not have to see the railroad in regard to a change of tolls. You know if tolls go down or up it will not be in an arbitrary way.

Q. I understand the company, by this agreement, deducted royalty?—A. They deduct a fixed sum supposed to cover the whole fixed charges of selling, royalty, etc.

Q. They deduct royalty and then they allow some percentage for selling expenses?—A. The clerical expenses and things of that kind.

Q. What is the highest percentage that the company has charged, within your knowledge, for the last couple of years for tolls?—A. I think they charged us for a short time 50 per cent.; that was the highest. After they found this was to high they made an arbitrary reduction.

Q. Within the last eighteen months what has been the lowest percentage?—A. The percentage is always the same, but the amount varies with the price of coal.

Q. What is the fixed percentage ?—A. 50 per cent.

Q. Then on this sliding scale it is determined by the price of coal in the market ?—A. If coal goes up 20 cents a ton in New York the company gets 10 cents more, and if it goes down we take off 10 cents. This 10 cents taken off the tolls fixed by the percentage is arbitrary. In other words, if coal sold for 90 cents at the breaker they would get nothing and then if it went up 10 cents to $1 they would get 50 per cent. and so on.

Q. Do they charge 50 per cent. on the sum that remains of the price received for coal after deducting royalty and selling expenses ?—A. This is after deducting this 70 cents royalty and selling expenses. That they consider as something; the operator had to pay altogether outside of the mining business.

Q. Why did the operators agree to that 50 per cent. ?—A. It was the best we could get.

Q. If the operators could obtain that transportation for 25 per cent. ?—A. He would make the other 25 per cent.

Q. And then you could afford to pay more wages ?—A. Provided the operators did not give it away to the consumers.

Q. Assuming the price to be the same, you could then pay higher wages. Now, Judge Parker, a moment since, asked you in regard to remedies. Does it occur to you that legislation might be had controlling the price of tolls or rate of tolls ?—A. It has not been successful. The great mistake of this whole thing was when the State of Pennsylvania made the mining and carrying corporations one, and they never can get out of it; and the question how the individual operators will get out of it is more than I can tell.

Q. Well, this is true, that if the State of Pennsylvania should reduce the tolls charged on such traffic, that would, of course, give to you a better profit, which you could distribute between the consumer, yourself, and your men; then as to interstate commerce, if it was found feasible for Congress to regulate and restrict this 50 per cent. now being charged then it would have an effect as to interstate commerce giving the same result ?—A. The only trouble is that some of the old charters allow them to charge 3 cents a ton per mile.

Q. Then it is a thing for the present legislature to settle that ?—A. Not under our constitution. All these charters that have been passed since the amendment to the constitution provided that the legislature could, but the old charters can not be altered under the Darmouth College decision, that you can not impair the validity of a contract. If we could get cheaper transportation, why there would be more to divide between the consumers and the men.

Q. Now another point. You spoke of the Jersey Central obtaining statistics of coal shipments in the beginning of the month and upon that data arranging their basis. How do they obtain those statistics ?—A. Every shipper over the road furnishes a statement of coal sold and what they got for it in the aggregate.

Q. In order to make this statement complete they must include, of course, shipments over all other roads ?—A. No; it is only coal that goes over their road and pays toll on this basis. There are two or three regions; Wilkes Barre coal is carried on the same principle, but it does not go in to make up our rate. The coal that makes up our rate is the Lehigh Navigation Company coal, our coal, the Honey Brook coal (belonging to the Wilkes Barre Company, but in our region), the Upper Lehigh, the Pond Creek, and Sandy Run coal. They all go over the same line. Only that part of our coal that goes over this line is put in to make up the average.

Q. I understand that this coal from the Lehigh region all substantially goes over the same railroad line?—A. Yes.

Q. What is the distance, say, to the farther of these?—A. They will not vary more than 3 or 4 miles; they are practically the same thing.

Q. I thought I understood you to say they had a different rate?—A. That rate varies with the price of coal.

Q. Now, you say the price to-day is so and so, say $4, and that toll is arranged upon that $4 basis; that is, this reduction, etc. On that same day coal is brought from this same point over substantially the same distance, over the same road, and they receive what?—A. Exactly the same tolls.

Q. I understood you that they received different?—A. The Lehigh region would be the same, but they have a large system of collieries in the Wilkes Barre region. They have another system there which they pay on.

Q. Have you ever looked into the question as to whether there are parties shipping on that line receiving less tolls than you did?—A. I do not know positively, but I think that they do not now. The Lehigh Coal and Navigation Company pays a little less than we do because they carry coal a part of the way over their own road. They run a road to their own mines and deliver at a certain point on the railroad, so they have another arrangement.

Q. How much difference is there between their coal and your coal by rail?—A. There is a good deal of difference. They have their own locomotives and they have got an advantage. They run to the different collieries, and they deliver to wharves at certain points, and they own their own railroad, too.

Q. Does the Jersey Central, to whom all the individual operators make these returns, also obtain the statistics of anthracite, both at Philadelphia and New York?—A. Only New York; for all places short of New York there is a fixed rate of schedule.

Q. Take New York, are statistics collected for shipment over other roads as in the case of the Jersey Central?—A. I am not positive. The Delaware, Lackawanna and Western used to, but I do not know whether they do now. They charge a certain percentage of their own price, but we are not shippers over that road, and I am not familiar enough with it. (Mr. Coxe afterwards informed the committee that the New Jersey Central Railroad had changed its system somewhat.)

Q. You referred in your testimony to some proceedings by the State of Pennsylvania against certain railroad companies or carrying companies?—A. They were after the chartered corporations.

Q. And in those proceedings it was shown, so I have been informed, that the roads all collected the statistics of the whole anthracite region?—A. They collected statistics of the amount shipped, or rather they used to do it, but I think the man has lost his place and has gone into some private business.

Q. The man to whom you refer is Mr. Jones. What was his intention?—A. I do not know.

Q. At that time Mr. Jones published circulars each month?—A. I think every week. I think that he collated them at the end of the month or end of the year.

Q. Did you receive those circulars?—A. Yes; everybody did.

Q. Do you receive any circulars from him now?—A. Mr. Jones, the other day, asked us whether we would agree to pay something for hav-ng the statistics gathered. He has gone into it as a private speculation.

Q. Do you still receive circulars?—A. I saw one last week. The way I happened to see it was that he had seen other people and wanted to know whether we would not contribute something to having the statistics gathered.

Q. I do not care about that, and I do not care whether you receive them or not; but, as I understand it, you received such circulars within the last year?—A. Yes.

Q. How frequently?—A. I think every week. I think they were always published in all the coal papers.

Q. And these were the circulars to which reference has been made?—A. It is simply a collated statement of the amount shipped from each region by each interest.

Q. Is there any difference between these circulars than those at the time prior to these proceedings?—A. I do not think there is any difference at all, except that Mr. Jones formerly had a position and now he has not.

Q. The work of collecting the statistics is maintained?—A. I think everybody send their shipments.

Q. And information is distributed to the operators just as before?—A. It will be to those who pay for it.

Q. If they pay for it these circulars will be distributed just as before; in other words, there is no difference in the collecting and distribution of information.—A. I am not by any means certain that Mr. Jones will be able to make it pay. He may give it up. The difference before was that Mr. Jones did it as an officer of the company, who told him to do it, and now he is trying to do it as a private business.

Q. Mr. Jones's testimony shows part of the time he is employed by the Reading Railroad Company, and then he is subsequently in the employ of the different interests represented in a meeting of which Mr. Harris was secretary, and then, I think, his evidence showed that the allotment, to which Judge Parker referred was made by the representatives of the carrying companies, and those carrying companies made payment to Mr. Jones, and in some cases doing so directly by checks and in some cases by Mr. Harris, and that at that time the allotment system was in operation. Now, what I want to get at is this: whether there is any difference materially in supplying Mr. Jones's information or anything of that kind, or whether it is Mr. Jones, Smith, or anybody else, and whether, in the matter of collecting statistics, and in the manner of distributing that information, there is any difference to-day?—A. I think there is a very great difference, owing to this fact. I do not know whether Mr. Jones will be liable to get the figures or not. I think, as far as I understand it now, it is largely a private speculation of his own. I do not know much about it, as we never had anything to do with it. It was sent to us, and we have now been asked by Mr. Jones, as a personal matter, whether we would contribute.

Q. During the time this allotment system was in operation did you or not frequently regulate the work in your collieries and the output by that information?—A. I can say we were generally considerably short of what we would be entitled, because we could not get cars to ship it.

Q. That is another thing I want to know about. In the experience of the last ten years have you been troubled with a shortage of railroad cars?—A. Yes, sir; it is almost chronic.

Q. Tell us something about that?—A. Understand, if we got all we wanted and then mined all we could, we would probably have broken the market. In other words, the capacity to produce anthracite is too great for the demand, and what has kept everybody from going to smash is the fact that the transportation has not been sufficient to carry it. In other words, if we could get our price for coal, we could not run full because we could not get cars to carry it.

Q. My question is this: You have a certain limit, and determine what the limit shall be by your judgment or it, and you sometimes make a larger output and a smaller output, irrespective of the dictates of the railroad company as to whether you shall have facilities for transporting that coal to market or not. My point was this, whether the railroad company has with [illegible] your experience in the last ten years, no matter what the prete[illegible] [illegible]ly prevented you from shipping coal to market by not [illegible] —A. I do not think they ever did that. I do not think the c[illegible] have taken the ground that if we demanded cars [illegible] y wou[illegible] not gave t[illegible] to us.

Q. But still [illegible] tc [illegible] there were times when you would have shipped t[illegible] y [illegible] cars?—A. Yes, because almost always there are not [illegible] e[illegible]ugh.

Q. Is it not t[illegible] [illegible]ier to have cars enough?—A. Yes; but the trouble a[illegible] that w[illegible]ever the market slacks up cars are turned into [illegible] p the tracks, and people do not unload them. Whenever [illegible] is a [illegible]ack market there are a great many cars out of [illegible]vice. [illegible]tion is very largely influenced by the active [illegible] for c[illegible].

Q. Is it not a [illegible] t the company chooses to regulate the [illegible] by [illegible]ing cars loaded or by failure to furn[illegible] that it ne[illegible] situation and can control it?—A. [illegible] is p[illegible]ly [illegible] y business.

Q. If the company chooses to [illegible]ge you 90 per cent. instead of 50 per cent. for freights, they can do it?—A. It would freeze us out.

Q. They have it in their power as an individual operator to take all the traffic would bear, or, in plain English, precisely what they see fit to take?—A. I do not see what would stop it, except we would kick like steers. There are very few businesses dependent on railroads that the company, if it charges what the law allows, can not hamper or exterminate.

Q. And the coal business is like others in that respect?—A. Yes; but the companies have been moderately reasonable. We go to them and demand a reduction wherever the trade will not stand the rate. We are haggling all the time about it, and they must help if we are to keep moving.

Q. They want all the golden eggs the goose will lay without killing the goose?—A. Exactly; and I guess that is the way most businesses are managed. Of course they do not want to kill the goose that lays the golden eggs.

Q. But this general proposition is true, that 50 per cent., more or less, as stated by you heretofore, is taken by the railroads for hauling coal 160 or 180 miles?—A. The distance to New York is 140 or 150 miles; I do not remember exactly what the figures are. It is 50 per cent. of the price of coal less a figure, and I think this really amounts to about 50 per cent. less 10.

Q. What official of that company could give us that information?—A. The general freight agent. But it is all in print; there is no trouble about getting it. There is no secret about it. It is printed and sent to every shipper.

Q. I understood you to state that the cars which [illegible]ed coal, say to

Buffalo, returned with grain?—A. There are two classes of cars that carry coal to Buffalo—the open-top cars which carry coal and which go to the lumber regions and load with lumber, and the box car or house car goes there with coal and it is then loaded with grain.

Q. Take the box car, the rate on that per ton per mile from Chicago is about one-half a cent?—A. The rate now is one-half cent a ton from the mines to Chicago. That is about $4.50 a ton and about 900 miles.

Q. Yet they charge you 1½ cents a ton to New York?—A. Yes; but the car to Chicago has a back load for grain cars. We never send any coal to Chicago in special cars. It never goes there unless they have empty cars going back.

Q. They charge you 200 per cent. over Chicago rates to New York; they charge you a half a cent for, in round numbers, 1,000 miles, and they charge you 1½ cents for 150 miles. In your judgment as an outsider, do you think that extra cent ample pay for returned empties?—A. I think 1½ cents a mile is a very big price. There are certain terminal expenses—in other words, to determine the cost per ton per mile you have got to deduct certain expenses for terminals at the end. The shorter the haul is the more it is worth per ton per mile. If they haul a ton of coal 2 miles they can not haul that for 1 cent or 3 cents. I think the rate to Buffalo (distance 300 miles) was last year about $2.20, about 7 mills per mile, which is a little more than the Chicago rate.

Q. Have you any reason to think, as a citizen of Pennsylvania and an observer of public events, that there is any understanding, direct or indirect, of any sort between the carrying companies from the anthracite region to maintain rates?—A. My impression is that there is a general feeling among all railroad corporations to do what they call act in harmony, which is the same thing.

Q. Can you tell whether Mr. Corbin and the gentlemen associated with Mr. Corbin are also interested in the Lehigh region?—A. They have no interest in the Lehigh Valley.

Q. They have in the Jersey Central?—A. I think they have.

Q. And the Jersey Central controls the Lehigh Valley to a certain extent?—A. No, sir.

Q. Are any parties either of the Reading or Jersey Central also in the Lehigh Valley?—A. There are three directors of the Jersey Central who are officers of the Lehigh Valley Railroad.

Q. Is it within your general knowledge as to whether they represent any syndicate which is represented in both roads?—A. I do not know anything about it.

Q. But substantially these roads work together and maintain harmony?—A. I think there is general harmony among all the railroads in the State. I do not hear of any fighting at all now.

Q. You said a while ago there had been some conference between the individual operators, which would, of course, be very natural. Was one of these conferences held, within your information in any way, about the 22d of December at No. 1 Broadway, New York?—A. That is our office. There were two gentlemen there besides myself; but No. 1 Broadway is like a town; there are over a hundred different offices in it.

Q. I want to know if that was a conference at which the Reading interest was supposed to be represented with reference to the strike in the Reading region, or some such matter as that?—A. No; the only conference I know about was when two or three gentlemen met at our office; but that was before any strike on the Reading Railroad and before we knew there was to be any or anything about it. Mr. Pardee and another gentleman stopped in our office, but it was before any strike on the Reading railroad, and we had no idea of it.

Q. It was not with reference to that strike ?—A. No. I have no doubt we talked about it there, but there was nobody connected with the Reading in our office.

Q. I do not want to be understood as inquiring into private matters. —A. I do not think there was any conference at all at No. 1 Broadway, at which anybody connected in any shape or form with the Reading Company was present.

Q. The statement has been made to me about to this effect: That the carrier companies (it may have been operators, I do not know which) had an agreement, the result of which had a very decided bearing upon the Reading strike. In other words, it would have supplied the motive, and their statement went to the Reading people and forced the strike or lockout ?—A. I do not think there is a word of truth in that. I do not know anything about it, and I would have probably known. I can say for myself that I never knew twenty-four hours beforehand what the Reading was going to do. I heard reports but I did not know anything.

Q. My question was in reference to this statement.—A. I do not believe there is anything in it. I believe the Reading Railroad in this matter paddled their own canoe.

Q. In regard to sales agents; now, during the time that allotment system was maintained they were in the habit of having regular meetings. Is it within your general information whether they now have meetings ?—A. I have not heard of any meeting for months.

Q. It is your belief that it is neither directly or indirectly, openly or secretly, an understanding between the heaviest of the coal operators, which in this case are the carrying companies, to regulate the price and output ?—A. Practically the position is that there is none. I think there is general feeling among these men as to meeting together and talking about it, but there has been no meeting or anything done in the way of restriction for months, and in fact it was not necessary, for the market has been good for many months. Naturally, most of those gentlemen living in New York and engaged in the same business constantly come together like brokers and other business men and talk over the trade. I can say this, there is a general feeling that they have got to look out for the trade; that they have got to see after the market and see it does not go to pieces, but it is in a very general sort of way; but they could not do anything absolutely. I know that some operators, when the market was a little weak and everybody felt uneasy and restriction was considered best by all, they would go on shipping coal without being restricted. I do not know of any case where a man said he wanted cars that he did not get them. The truth is, gentlemen, there has been a great mistake in the idea there was an immense amount of money made in the coal business. If you had received all the money that has been paid for the coal in the last years, 1885 and 1886, and then paid the cost of mining, I do not think you would have——

Q. Suppose you did not pay so much for transportation ?—A. That is different.

Q. I think that is the milk in the cocoanut.—A. I am talking about what I know. I have no interest except ten shares in the Reading Railroad Company, which has paid nothing but assessment since I had it, and I have no interest in railroads. I am simply a miner.

By Mr Parker:

Q. I would like to have your judgment and statement of facts in regard to the private operators being placed in competition with corporations in mining ?—A. It is a mighty hard position, I can tell you.

Q. That is, corporations so organized and being connected with their own transporters must put you at their mercy in regard to your operations?—A. Yes; and I do not see what would prevent corporations from squeezing out individual operators and in a way that the public could not complain of. That is by putting down prices of coal for a certain number of years. It would simply freeze us out; but we would make a devil of a fight on it, I can tell you.

By the CHAIRMAN:

Q. About how much of the anthracite coal region of Pennsylvania is owned or controlled by the railroads, as far as you know; and I would like, if you could, for you to try and include what area is owned and about what area is leased?—A That you know I could not tell, because nobody knows that except the owners and the companies.

Q. It would require an examination of the deed books in each county? —A. That would not give it to you.

Q. You would have to have a geological survey.—A. There is a survey, but if you lease a house to a man you do not put it on record; the consequence is that the majority of the coal leases are not on record.

Q. Why is that?—A. It is not necessary to put them on record. Many of the coal leases, I think, are not on record.

Q. Suppose the owner of the land leases it to somebody else?—A. He has a copy and you have yours, and you keep your copy in the safe deposit. That is the reason why it is impossible to tell. We know in a general way that such a property is controlled by such a company. But to get back to your question. Of course no man could state without going over the figures, but I should say, at a rough guess, about 75 per cent. I may be wrong, it may be 60 per cent. or 80 per cent., but just as an off-hand guess I should say 75 per cent.

Q. Do you mean to say that the statute of frauds, which requires that any contract in regard to land for more than a year shall be in writing, is not in force in Pennsylvania?—A. I do not know that the law in Pennsylvania requires it to be put on record. If some one else buys the land over again you would lose it if you had not your deed on record.

Q. Suppose some fellow leases it?—A. In the first place you have a lease and you are in possession. It is just the same as leasing a house. There are a great many leases of houses not on record. The supreme court of the State has decided that royalties from coal lands are in the nature of income, and where a man leaves an income interest to his wife for life she will take the royalty.

Q. You spoke of having a great many coal depots in different States and coal agents who sell your coal?—A. Yes; our firm.

Q. With different partners or agents in different States?—A. Yes; the firm consists of myself, my two brothers who are living, and my brother's estate who is dead, and it formerly consisted of my cousin, Frank Coxe, of North Carolina.

Q. You have different depots, buildings, where you store coal, and you have agents who sell it?—A. Oh, yes; the agents are employés of the firm.

Q. Is not that the case with all these railroad companies who are also coal operators?—A. They generally have what we have, a general sales agent.

Q. You have your headquarters in New York. Are not they in the same fix?—A. Exactly; the same thing exactly. If a man in Dakota or California buys a ton of coal from us and pays for it, the money is paid to us and there is no commission. But in many cases coal mines block out coal; that is, the general sales agents will give John Smith 10,000 tons and John Jones 50,000 to sell. He may be a local dealer in a certain town, State, or district. The practice is to have a general sales agent, and then local agents in different districts. One man may deal directly with the dealers or he may deal with a wholesale man, but the principle is to have one head who handles the whole thing.

Q. And he prescribes the price as a general thing?—A. No, sir; the price is a thing prescribed by the state of the market. We try to fix the price, but we can not do it. There is no power on earth that can fix the price except the state of the market.

Q. What was the average price of coal, say, in August and September last, and what was about the average price per ton in the New York market during last year up to the strike. Just give it to us now in round numbers?—A. The Lehigh coal and the other coals are a little different, and it varies with the sizes.

Q. I mean the average size; I believe stove coal is the highest price, and generally I think that is quoted as regulating the price in coal?—A. The trouble about this is I do not attend to these matters.

Q. You can approximate it?—A. I suppose the price would run in August about $4.

Q. What the year through?—A. I could not give it to you.

Q. Three dollars and fifty cents, $4?—A. It was somewhere between $3.50 and $4 in the New York market.

Q. I understood you to tell Mr. Anderson that the Jersey Central Railroad transports your coal to the New York market?—A. We send it by three roads: by the Pennsylvania, the Lehigh Valley, and the Jersey Central. Some of our collieries are on one and some on two of these roads.

Q. Do all these companies charge you the same freight rate?—A. They generally all try to get there. It is difficult to answer this; but they generally all get about the same prices, although, as I said, the New Jersey Central changes the freight rate with the price of coal. The Pennsylvania and Lehigh companies fix their price, and they publish notices that coal will be so much.

Q. I understood you to say the Jersey Central took off 70 cents from returns you made to it of what you sold the coal at, 50 cents of the same being generally understood for royalty and 20 cents for selling the coal, and that the company took one-half that was left for freight or tolls?—A. One half less ten cents.

Q. Give us some reason for the taking off of the ten cents?—A. Because the 50 cents panned out too much and we could not stand it.

Q. That is, if they took the 50 per cent. the one-half was too much, and you could not stand that much?—A. The company saw that they did not leave us anything, and they took it off. We had been talking about it, and one morning we got a notice it had been taken off.

Q. Now please tell us if the other two companies charged freight in the same way?—A. The other companies simply issue a circular that the tolls on coal are so much. Then if the market goes off they send us a circular saying freights are reduced. If the coal goes up they increase the rate. It is a sliding tariff and arbitrary. That is to say, there is no system on which it is done except the company's judgment as to what the market is.

Q. In other words, what the coal operators' traffic can bear and survive. Does it not look to you that way?—A. My impression is the railroad companies during the year——

Q. Do they not charge all the traffic will bear and survive, no matter here the coal comes from?—A. There is no question but that we have ree outlets, and you can understand that the companies could not ford to squeeze us, because the rates are all the same. There is anher thing which the companies will have to look after, and that is to t the coal distributed properly; but it is a very complicated thing.

Q. I can see how a large operator like Coxe Bros. & Co. can dictate rms instead of being dictated to; they are not at the mercy of any e of these roads; but how about the small operators who must go on e road?—A. They charge the same. I do not think there is any disimination about that.

Q. Do they charge the same toll or rate of freight, no matter where e coal comes from; in other words, whether it be a short haul or a ng haul?—A. The haul is practically the same. Among the many estions is the question of grades. There are places where they have go up 100 or 200 feet to get coal out. I think the best thing for the al companies is to have a uniform rate from all regions and to all ints except those near the mines; I think, on the whole, it would be tter for all parties.

Q. Practically, are not Coxe Bros. forced partners with the New Jery Central Railroad in their coal business? In other words, does not e New Jersey Central share the profits and losses on coal mined by xe Bros.?—A. I have never found them dividing the losses, and I ve had many losses. I lost a breaker that burned down recently.

Q. Do not they share the losses and the actual output, because if the ice of coal loses 70 cents a ton and goes down, why they charge less ll; but if it goes up they charge more. Then are not Coxe Bros. rced partners with the New Jersey Central Railroad in the coal-ming business?—A. They are certainly in a measure; but I want to say ankly that it was at the request of the operators that they adopted at system, because that was the only way we had of competing with e coal companies who owned their own roads; because if the market ll off, we had to shut up, unless we could induce the railroad comny to put down tolls. Suppose coal has fallen, as within the last week, . If the railroad company did not immediately reduce tolls we would actically have to suspend shipment, but by reducing tolls on the sis to what we could afford we do not have to suspend. We went on ipping; we knew that whatever coal netted we would only pay that rcentage on it. I want to say, in justice to the Jersey Central, that it s done more at the suggestion and the request of the operators, and ere is a very strong feeling to-day among the operators that this is e best way for the individual operator.

Q. The other two companies, do they practice the same system?—A. e other two companies fix it arbitrarily, and the price is arbitrarily vanced or lowered as coal advances or declines, but upon no fixed sis.

Q. Please tell us this: are not the owners of the coal lands who lease em out and the railroad companies the only two parties engaged and ncerned in the mining of anthracite coal, who always make and never se?—A. Of course the owner of coal lands is simply selling his land installments.

Q. At mighty prices?—A. Sometimes it is and sometimes it is not.

Q. Of course I do not want to go into the details of your private busiss, but can you give us what you would consider the general average royalty that you pay per ton on coal, or is paid by individual operars?—A. The cheapest mines to work are those that pay the highest royalties, because the royalty depends upon the quality of the coal and the cost of getting it out. If you take the last mine that must be operated in order to produce the amount of coal needed for the market, and that mine is very difficult and expensive to work, of course you practically get no royalty for that. Now, I know mines right alongside of each other where the cost of mining varies probably 40 cents. At Drifton there is one part of the mine there which we lease from another party where it costs 25 to 30 cents more to mine than it does in the land belonging to us. The man that has got a piece of ground where coal can be mined 25 cents cheaper, of course I would rather pay him 20 cents more and taking the chance of the 5 cents than to lease the poorer ground.

Q. In other words, the size of the veins, their thickness, their length and breadth, and their being above or below the water level, and having a good roof, and the amount of timber, enters into the amount of royalty?—A. If the roof is good and solid the miner can go right ahead; if it is treacherous, and every now and then the roof falls, you have to pay the miner more per ton for mining.

Q. Now, give us about what is the general average royalty that the lessor gets?—A. The highest royalties I know of are 53 cents; and the lowest royalties—there are some up in the Wyoming region where they run as low as 15 cents.

Q. Would you say midway between 15 cents and 53 cents would be the average?—A. The lowest in our region, I should say it would average somewhere about 40 cents, at the outside 45 cents; the average royalty would be from 40 to 50 cents.

Q. Suppose we put it at 40 cents?—A. That is too low for the royalty in our region.

Q. Would it not be an average for the other regions?—A. I think in the Wilkes Barre region it is lower than that, but in the Schuylkill region there is quite a large royalty paid. The collieries there are largely owned by the coal companies; the Reading Company, the Pennsylvania Company, and the Lehigh Valley all own large portions there. The city of Philadelphia gets, I think, very large royalties, over 40 cents. They have got very fine collieries. If you own a splendid farm, with the very richest soil, it will rent for a good deal more than another that has a poor, sandy soil and for which you have got to buy fertilizers by the ton. The royalty of a coal mine represents very nearly the relative advantages in working it.

Q. I understood you to say something about a coal company owning the stock of a railroad company?—A. The New Jersey Central Railroad own the controlling interest of the Lehigh and Wilkes Barre Coal Company. The Pennsylvania Railroad Company owns the controlling interest in a number of other companies; so does the Reading Railroad Company. Most all of these railroad companies are either coal-mining or transportation companies, but in one case there is a coal company that owns the controlling interest in a railroad company, that is the Pennsylvania Coal Company, which owns a railroad. This corporation has a different name; it runs from Pittston, and is called the Erie and Wyoming Railroad.

Q. You also said something about the Wyoming system of mining having no sliding scale, and that they have fewer strikes there?—A. No; I did not say that. I guess they get their share when the time comes around; they have had them there; they were all out in 1875.

Q. They have not been out since?—A. We have not been out since 1875; we have a little spat now and then, but that is only to keep ourselves in good trim; we have not had any serious, straight fight, since 1875.

Q. Can you tell us about what is the capitation of miners?—A. The miners are assessed so much for occupation; that is, they pay school taxes, and road taxes, and poor taxes, and county taxes.

Q. But that is levied in that capitation tax?—A. They are all levied; I pay an occupation tax; every man as far as I know, in our county, is assessed and pays occupation tax.

Q. What I want to ask you is, about what sum does he have to pay annually; give us the general average of what the taxes are.—A. Every township has different rates.

Q. This money is spent locally?—A. There is a county tax.

Q. You are in the habit, I understand, of collecting these taxes?—A. We are forced by law. The point is—the way it is done is this: Mr. McGarvey, when supervisor there, furnished a certified list of the taxes he has got against all men who he believed were in our employment; then we have got either to collect that tax, or make affidavit that all the men whose taxes have not been collected had not at any time during six months previous to their credit the amount of the tax.

Q. Please now give me about what you consider the general average of the capitation tax?—A. I think for the miner it was $3.90.

Q. It would be about $4 for each head?—A. I guess the highest in Hazle township would be $3.90 for a miner and $2.08 for a laborer; if he keeps a cow, that cow has a value.

Q. I mean for occupation poll-tax?—A. This is in our township; now, every man is assessed his occupation, and that occupation has a value of so much; the same as a house, a cow, or anything.

Q. I understand that.—A. Then the township levies—at Black Creek perhaps it is about half of that; the principal tax is the school tax, that is about two and two-tenths.

Q. Please tell us about the number of days your men worked on the average last year up to the time of the strike?—A. We consider it as a rule about two hundred and fifty days a year.

Q. So many days in a month; we will assume twenty-six working days in a month, about how many days of that twenty-six would the miners work; can you give us the average?—A. I think I can do so; this average is obtained by adding together the total number of hours that all our breakers work in each month, and dividing that by ten, that gives the number of days that all the breakers work, and dividing that by nine gives the average that each breaker works. Some breakers work more than others, but from the 1st of January to the 1st of April the average number of days' work was twenty-two in the month. That is to say, that if we multiply twenty-two by ten, and by nine, it will give the total hours worked by all the breakers in those three months. The average of twenty-two days is from January 1 to April 1. From April 1 to July 1, 1887, the collieries averaged twenty-four days; and from July 1 to August 1 they averaged twenty-four days. Some collieries have done less work and others twenty-five days, but this is the average number of days all our men worked, assuming that each man did his proper share in the number of days we worked. One colliery may have worked twenty-one days while another worked twenty-three days, and another nineteen days, and one might have been less than this if we had a break-down or something of the kind.

Q. Please tell the committee if there has been any surplus labor; if you did not have more labor than you could employ whenever the railroad company would not furnish cars?—A. We have rather gone on the principle at our collieries of not having any more men than we can help, because this is really one of the great causes of trouble. When we do not have cars, we have to stop, of course, but on the average we have not had a very great surplus of labor.

Q. Has not your greatest difficulty in mining, regulating, and controlling the business of late years been in always knowing what number of coal cars you would get to load and ship?—A. No, not as bad as that, because the railroads could tell us the day before what they could give us; the honest truth of the matter is, there are more coal mines at present in existence than are wanted, because it was shown us that when the Schuylkill and Lehigh regions went out there was no coal famine, and the other region produced coal enough to supply the market.

Q. Might not that have come from a supply that those mines had when the strike or lockout commenced; that they had on hand?—A. You can not carry coal over twenty-four hours at the mine; you have got to ship it as soon as you get it out. Of course they had plenty of men and plenty of transportation because they had the whole field to themselves, and there is no doubt the producing capacity of the upper region, or Wyoming region, was worked to its full extent; but that showed that if everybody worked full they would smash the market.

Q. Then you are obliged to have an allotment or something of the kind, either expressed or implied?—A. We have got to have something. We have got to stop mining more than we can dispose of to bring better prices.

Q. Hence, there must be some sort of understanding, expressed or implied?—A. I do not believe in it myself; I think temporarily it does, but I do not believe in it in the long run. I think an understanding is very vague, and very indeterminable, and practically there is no power to enforce it; and I believe if we had never started any such thing, and let each one paddle his own canoe, on the principle of the survival of the fittest, it would have been the best thing.

Q. How many mines had you formerly in occupation?—A. Nine.

Q. And you have been getting out each year, how much?—A. We would have mined last year probably—we mined in August, I think, about 125,000 tons, the last month we ran full—we ought to have got out 1,400,000. One of our collieries had only just started.

Q. Now, about royalties; you own some of these collieries and lease others?—A. My own interest in any of the collieries at all is less than one-tenth, as an owner.

Q. I am speaking of the firm now.—A. What is supposed to be owned by Coxe Bros. & Co. is only owned in part by them; one-third of that is owned by people who live in other States, and two-thirds belongs to the children and grand children of my father.

Q. The purpose of my question was to get at the royalty that the firm of Coxe Bros. & Co. have to pay; you have to pay royalty on what portion, more than half?—A. Every ton.

Q. To the heirs as well as the lessors?—A. We have to pay the Lehigh Valley, the West Buck Mountain Company, and the Derringer heirs, and the Black Creek Company, and the Central Company; of the remainder, one-third of it goes to people who live out of the State.

Q. What was about the royalty when you were mining—you are idle now?—A. We do not give any now.

Q. Are you able to lease coal mines and pay no royalty in case they lie idle?—A. Most of the leases provide that if we do not ship a certain amount in a year we have got to pay for it, but we have got the subsequent year to make it up, and the minimums are not large. This arrangement is such that it does not pay to let the mines lie idle.

Q. Are the minimums very small ?--A. They run from 20,000, 30,000, 40,000, and 50,000 tons a year, but it depends upon the size of the property. If you have got 1,000 acres of fine coal lands, they will want probably a minimum of 100,000 tons.

Q. The minimum royalty that Coxe Bros. & Co. will have to pay, in case operations are not resumed in the Lehigh region, will be very heavy and be a considerable item ?—A. It will amount to considerable money.

Q. I understood you to say you had no conference with the strikers of your mines because they came at you rather dictatorially ?—A. None of our people came at all.

By Mr. STONE:

Q. I understood you to say that if you had acceded to the demands of your miners in September that you would have been compelled to borrow every month ?—A. Yes.

Q. And it would have resulted in a constant loss to you ?—A. Absolutely.

Q. I understood you to say that the wages and expenses of operating your business in September was already as great as you could afford——A. (Interrupting.) I mean its organization. You can not tell what the cost is in one month; you have got to take the whole year.

Q. (Continuing.) That the expenses of your business were then as great as the business could bear to make you a reasonable profit on your investment ?—A. To make us any profit of any kind at all. We were not earning as much on our capital as we would by taking it to the city and investing it in mortgages.

Q. Is it to be supposed that all you operators were loading your coal and shipping it to market at a very small per cent. ?—A. Very; there are months and months we do not pay expenses.

Q. I suppose that all you operators understand and constantly understand what the price of coal is at a given time ?—A. We know it pretty well.

Q. Is it a fixed thing ?—A. No, no; it varies; sometimes it will vary 75 cents within a few months.

Q. For instance, now, coal has a market value, and you will know with reasonable certainty that the market value will not change tomorrow or the next day; or if it does, you will know when it will change, and the cause of the change ?—A. When I was in New York and where I got your telegram to come here, coal went off, from the time I got your telegram in the morning to 4 o'clock, from 50 cents to $1 a ton.

Q. Here is what I was trying to get at: If you were mining coal, and paying all that the business would possibly bear to get it into the cars, the freights being fixed and permanent, how is it that you can buy coal of other operators for speculative purposes, knowing just what you know of the market ?—A. One-third of our capital is invested in the selling business, in boats, docks, and money in bank, to keep the stock up and all that. Now a great many operators if they had only 50,000 or 100,000 tons of coal to sell, could not sell it West.

Q. How do you manage it ?—A. We buy from people who do not have a selling department. They do not put any capital in their selling department, and they sell to A, B, C, or anybody. They, of course, have to take less than a man who has a selling department, because they save all that capital, all the trouble, and all the risk. If I buy 10,000 tons of coal from you and sell it you get your money from me at once, instead of waiting, and there is always a certain amount of losses.

Q. If you buy of me 10,000 tons of coal, I ought to know just what you make?—A. You do not know, because we may buy the coal when the market is dull and pile it up, because we have the capital to do it with. I know one case where New York Harbor was choked up with coal. We bought coal and shipped it by Erie Canal to Buffalo, and from there by vessel to Milwaukee, and held it for several months. There are always people who simply mine coal, and have to sell as they produce it. There are times when a man is loaded up with coal and comes to you and asks you to take $5,000 or $10,000 worth of coal.

Q. I understand your explanation. Are freights any higher now than they were in 1870?—A. I do not know.

Q. Well, freights throughout the country have decreased?—A. They are lower now than ever. In 1869 the tolls must have been a great deal higher than now. I think in 1870, but I am not positive, we had to go over two or three railroads to get to New York.

Q. Now the tolls are lower than ever?—A. A great deal lower.

Q. Is it not a fact that you paid your miners larger wages in 1870, and along there, than now?—A. In 1869, after the strike, we went to work and coal was then $7.50 in New York.

Q. Was coal much higher then than now?—A. Very much higher.

Q. This has been stated to us: That when coal in 1870 and in 1871, and along there, was selling at practically the same figures as it is now, when the relative conditions were the same, you were paying your miners 35 to 40 per cent. more than they are now being paid?—A. I know that in 1869 coal was $7.50 in New York; we started at a very high rate of wages.

Q. You paid a great deal higher wages?—A. Yes, and in six weeks the whole thing fell through and we all stopped, and the wages were reduced. The coal trade at that time got worse and worse, and in 1875 we had another strike, which lasted six months, and then there was a readjustment of wages, and what is known as the basis was established. From 1875 down to the present time, with now and then a short interval, the wages have been such that there are very few of the mining companies that have made practically anything.

Q. Well, what I want to ask is the simple proposition, did you or not in 1869 and 1870 and 1871, pay your miners more money for the same work than you do now?—A. We did from 1869 to 1875, more than we pay now.

Q. Was it not a considerable per cent. higher?—A. My impression is that we reduced the price about 10 per cent. in 1875; I think that was what it was. Then we had the six months' strike. We found it was impossible for us to pay the old wages, so we shut up and stopped. We satisfied ourselves that we could not pay the higher wages and live on, so we stopped. We fixed a new basis in 1875. There was a time when coal went so low that we could not even pay the 1875 basis for a year or two; then we got back to the 1875 basis, and we have been working on that, with this exception, from 1875 up to 1887. Our accounts of the cost of coal, the expenses of mining, and the prices of coal, show that that is practically all there is in it.

Q. Running from 1869 to 1875 you were paying larger wages; were you losing money all these years?—A. We did some years. I do not remember the exact facts now; I only remember the general result, that in 1875 we became satisfied we could not stand it, and we stopped for six months because we could not stand it.

Q. Have you any objection to telling me the amount of your investment in operating those nine collieries?—A. I would if I knew what it was, but I can not tell you this. I have been at this twenty-two years and I have not taken a dollar out of the business; I have got very little outside of it.

Q. Would it exceed half a million?—A. I spent at one place $150,000, and when I got done with it I would have been very glad to have stopped and let it alone.

Q. Would it exceed $1,000,000?—A. Yes. When our breaker burnt down the track of course didn't burn up, but the boiler-house was destroyed; but the boilers were not, nor the pumping engine, and the insurance company assessed the loss that was destroyed at $81,000, that is by their sworn appraiser. That breaker alone cost, I think, considerably over $100,000. Now, the mine attached to it must have cost double that amount. We have over 300 mules, 14 locomotives, thousands cars, etc. I suppose our works to-day would cost over $2,000,000 to duplicate. It has taken twenty-three years continuous building and improvement to make them what they are.

Q. My question was not from mere idle curiosity, but for the purpose of providing a computation. In answer to a question of Judge Tillman you said you mined about a million and a half tons?—A. No, I said we would have mined a million and a half tons this year if we had run full.

Q. Upon which you made clear of everything, except interest on the plant——A. (Interrupting.) I did not say of everything. There is no deduction for depreciation.

Q. Except depreciation and interest on the plant, you made 12 cents a ton. That would be $180,000 that you credited to your interest and depreciation account.—A. Now, the depreciation account would swallow all that up.

Q. The depreciation would swallow that up?—A. The depreciation is generally considered as equivalent to 10 per cent.

Q. In my opinion I have no doubt that it is true. Suppose it is worth $2,000,000 at $180,000 cleared a year, you see you have been running a good many years to run 10 per cent.; that land has not exhausted itself in ten years.—A. I am talking of the wear and tear largely. Would not the mine get older? You have more gangways to keep up, more water to pump out, more roads to keep in order, and more expenses.

Q. But still the account goes on at $180,000 a year clear, and in 10 years you have got $1,800,000?—A. But you are talking about what we may do; we have never shipped a million and a half tons; the largest we have shipped was 1,100,000 tons. There is one colliery alone where last year we charged off, in consequence of things not turning out as we expected, $100,000, and we may never get a dollar of the money we put in it. We will do well if we get our capital back without interest at all; the expenses are very great. We have got slopes drowned out that have to be pumped out. We do not know what these things amount to. There is no business on the face of the earth subject to as many casualties.

The CHAIRMAN. Did the strike drown the mine?

A. We found the men had abandoned the pumps and left the boilers with fires under them. I took the pumps out and allowed the place to fill up, as the places were difficult to protect. At the Drifton mines our engineers quit. We have the Tombicken colliery filled up.

By Mr. STONE:

Q. One ground of argument made by the strikers as a reason why the operators ought to be able to pay larger wages is this: that so many of them starting with comparatively a poor mine, within a few years they have accumulated great works?—A. The position is this: out of every hundred operators that have gone into the business I do not suppose there is 10 per cent. of them who have made anything. Until comparatively recently, I believe it was the usual thing for a coal operator to have failed once or twice. Most of the money made in the coal business was made during the war, when coal went up so high that there was two or three dollars profit. A majority of the men who made fortunes during the war would have been better off if they had gone out of the business after the war and invested their money in Government bonds. There is a great misapprehension in regard to the amounts made in the coal business. You can see the reports of all the companies—the report made by the Reading Company shows that last year (1886) they lost 40 cents a ton on every ton they mined. That was reported by the receivers to the court under oath—that they lost at least 40 cents a ton on 5,000,000 tons, say $2,000,000.

Q. Why do they keep on mining coal when they are losing?—A. Because that furnishes transportation; they made it up on transportation.

Q. They make money?—A. They made it on the transportation.

Q. Did you lose approximately in the same proportion?—A. No.

Q. Could not they mine as cheaply as you can?—A. I do not think they manage their business as well as we do.

Q. They certainly got transportation as cheap?—A. These mines were charging themselves the same transportation they did outsiders.

Q. Well, if they lost 40 cents, were you making?—A. Our accounts showed us about 4½ cents profit for the year 1886, but that ought to have been increased by some little things. We lost considerable money, if charged for depreciation.

Q. The difference was some 50 cents nearly in your favor as against the railroad company. They lost 40 cents and you made 4 cents, that is about 48 cents less?—A. I do not know how far they may have charged for depreciation during the year, and when we come to charge our depreciation off we are short.

Q. When you speak of depreciation, do you mean the depreciation of your land?—A. No; the mines.

Q. Simply the mines. Do you spend large sums repairing these mines and keeping them in order?—A. We take account of stock of all personal property we have got down to a monkey-wrench; when we get through that valuation we value the mines and other improvements. One year we may think highly of a colliery, and the next year the vein may come to an end and the colliery may be worth a great deal less than nothing. We have to be constantly rebuilding and repairing. You can have no conception of the amount of money that has to be spent to keep the collieries up.

Q. Do I understand you to say the breakers and machinery and tools, all that constituting your plant, is separate from the land?—A. We own very little land.

Q. And those nine collieries would approximate $2,000,000?—A. They could not be put there for $2,000,000, with all we have got in them, to say nothing about the land. That belongs to fifty people all over the United States. A set of boilers—three boilers—would cost somewhere in the neighborhood of $3,000. We must have, I do not know, but anywhere from one to two hundred of them. We have between seventy and eighty pumps, perhaps nearly a hundred, and those sort of things. No man that has not been there has any conception of the amount of things which are required to put an anthracite colliery in shape to mine coal. I put one pump in at Drifton that cost me by the time I got it in over

$17,000, and that is one pump alone. There is another pump at Drifton which cost about $10,000. We have got to provide for the water. We sometimes pump from 4 to 5 tons of water for every ton of coal.

Q. You say if you had mined through the year you would have mined probably 1,500,000 tons of coal, which, at 12 cents a ton, would be $180,000, the whole of which you think would be absorbed in the depreciation of the land; if it goes at that rate every year, when and how do you expect the $2,000,000 to come in?—A. The 12 cents I mentioned was the average for 1886 and 1887. We expect the time will come when we will get a better show. We have other business besides mining, such as our selling business, our machine shops, boats, docks, etc. If the coal business was going on forever at the rate it has been going there would not be much prospect in the future. I do not feel very enthusiastic about it. There is no doubt that a private individual can mine coal a little cheaper than a company, but with a few exceptions almost all the coal companies lost money in 1886, except where they owned their own transportation. Nobody knows the difficulties we have to contend with; fire, water, and fire-damp, and all sorts of things we have.

By Mr. ANDERSON:

Q. I wish to ask as to the season of the year or months when the mines generally make the largest output?—A. The time when we expect to make money is in the moths of August, September, October, and November. You can see that if we did not feel seriously about this matter of wages we would have delayed and negotiated with the men until the 1st of December and then had the strike. That is exactly the fact. There is nothing I can say, or any gentleman can say, that will show how serious we were about this thing and how seriously we felt about it than the fact that we were willing to sacrifice our business at the time we did. I want to say one thing about this depreciation. Some years we may have good luck; sometimes we find coal where we do not expect to, and that helps us out. But practically it is a very serious question, and it is a general rule among operators to charge off 10 per cent. for depreciation. Sometimes it will cover it and sometimes it will not. Sometimes you have a flood and it drowns the whole place out. There are two collieries adjoining me that in two days were so filled up with water that they lost their pumps and they are now abandoned.

Q. That depreciation, as applied to mines generally, is expressed by the proposition that you can not have your cake and eat it?—A. Yes; the depreciation is continually decreasing your cake. I will give you an illustration of it. I bought—there is no secret about it—for $25,000 a colliery at Buck Mountain. I bought it to use it as a water outlet to some other mines. A few years ago the capital of that company was six or seven hundred thousand dollars and they were paying dividends on it, and they came to a point where they could not get out coal enough to pay expenses and they abandoned it.

Q. That is one of the general reasons you take into account?—A. We once opened three collieries, and when we had spent $150,000 would have been glad for anybody to have taken it off my hands for nothing.

The following exhibits were subsequently furnished the committee by Mr. Coxe:

EXHIBIT 60.

COXE BROS. & CO., CROSS CREEK COLLIERIES.
Drifton P. O., Luzerne Co., Pa., March 13, 1888.

DEAR SIR: At my examination, Thursday, March 1, 1888, there were some points which I was unable to answer clearly, and others in which my answers were not strictly correct, in consequence of my not having all the data with me which was requisite to refresh my memory.

In order to correct and complete my testimony, I write this letter, which you may either consider a part of my examination, or not, as you may think best.

In answer to the question in regard to royalties in the Lehigh region, I stated, I believe, that I thought 40 cents was about the least royalty paid in that region; but, upon looking into it, I find that there are lower royalties. I know of at least two which are 25 cents per ton. Of course, all my answers in regard to royalties referred to coal larger than pea coal. For pea coal, buckwheat, and smaller coals the royalties are much less, running from 15 cents down to 5 cents. These coals have very little market value at the breaker, and consequently the royalties are very small upon them.

In my examination in reference to the tolls charged by the Central Railroad of New Jersey, I gave from memory the tolls charged, although, as I then stated, I was not clear in my own mind as to the absolute correctness of the figures, as that was not a matter which I attended to personally. The tolls which I gave the committee are not now in force, but were about a year ago. I inclose you herewith the toll-sheet of the Central Railroad of New Jersey, issued March 3 of this year. No. 2, or the part marked "A" on the sheet, are the tolls that we pay. They are practically the same as I gave in my examination, although they are figured out in a little different way. According to my examination, the tolls were determined (assuming the average net price of large coal to be $4) as follows:

Net price of coal, f. o. b., in New York Harbor	$4.00	
Deduct	.70	
	2)3.30	
	1.65	
Less 10 cents	.10	
		$1.55
For shipping expenses:		
Net price of coal, f. o. b., in New York Harbor	4.00	
Less 25 cents	.25	
	3.75	
Take 5 per cent. of this	.05	
		0.1875
Tolls and shipping from mines, f. o. b., in New York Harbor		1.7375

(I did not, at my examination, give the shipping expenses, which are included in this calculation.) Under the new arrangement of tolls, which I inclose herewith, they are determined as follows:

TOLLS AND SHIPPING AT PRESENT.

Net price of coal, f. o. b., in New York Harbor	$4.00
Deduct	70
	3.30
	52½
	660
	1.650
	165
	1.7325

You will observe that, although the method of calculation is a little different, the tolls are practically the same, the change being made merely for the purpose of simplifying the calculation.

In order to explain more fully the method of collecting taxes, upon which I was examined, I inclose herewith a copy of a part of the law passed in Pennsylvania in 1866, under which we are compelled to make these collections. The law will be found on page 966 of the pamphlet laws of Pennsylvania for the year 1866 (in library of Congress), and the part which is not copied refers only to the responsibility of the collector. I also inclose a copy of one of the notices to us, served upon us in 1885 by Mr. Hugh McGarvey, who was present at my examination. This was for the collection of road taxes, of which he was collector for that year.

In reply to the question of Mr. Stone, I could really only guess how much coal we had on hand and the amount of it which was sold at the time of the strike. I inclose you herewith a statement which has been furnished me by our New York office, giving as nearly as they could the amount of coal on hand when the strike took place, which was 80,380 tons, and the amount of the unfilled orders, which was 110,950 tons. Of course these figures are not absolutely correct, as it is never possible to tell exactly how many tons of coal you have in stock until after it has been picked up, there being more or less waste in the coal, and coal lost that can not be accounted for. In the same way there are always a number of orders that are changed or canceled from day to day, and it is probable that, of the orders that were unfilled, some were subject to a strike clause, that is, were orders which canceled themselves if a strike took place; but from the inclosed statement I should say that we probably did not either profit or lose much by the advance in the price of coal, so far as the coal which we had on hand at the time of the strike is concerned.

I was also asked a question in regard to the reduction of wages that took place after the strike of 1875. I answered "10 per cent.," but was not positive. My answer was however correct. The miners' wages on the basis before 1875, when coal sold for $5, free on board in New York harbor, were $14 per week, and the laborers' wages were $12. At present miners' wages are $12.60 per week, and the laborers' wages $10.80 per week, when coal sells for $5, which is exactly 90 per cent. of the old wage on the basis. The car prices and contract prices were reduced in the same proportion.

Mr. Stone asked me the cost of producing coal, and also as to how this expense was divided. Since my examination I have thought over the subject very carefully, and, while it is practically impossible to get at an exact figure, I am satisfied that the average cost of the coal on the railroad car at the breaker is not very far from $1.50 per ton, and the tendency is to increase slightly from year to year, in consequence of the increased difficulty of working the older mines. In order to give some idea of how this total is made up, I append herewith a table showing the various items of cost that go to make up the total and the percentage of the total cost which each item forms.

Percentage division of cost of coal.

Account.	Per cent.	
Mining expenses:		
A Cutting coal	32.2	
B Traveling-ways, mule-ways, pump-ways, chutes, counters, etc	1.9	
C Gangways, slopes, and tunnels	6.4	
D Timbering	5.4	
E Ventilation, including fans, air-pipes, etc	4.0	
F Pumping	5.5	
G Transportation	14.6	
H Surveying and supervising	2.1	
I Tracks	4.7	
		76.8
Preparation expenses:		
J Sizing and picking coal	9.9	
K Loading and dispatching	1.4	
L Pumping, hoisting, and driving	4.0	
M Repairs breaker buildings	1.2	
N Repairs machinery and locomotives	1.8	
O Supervising and miscellaneous	.9	
P Outside tracks	.4	
		19.6
General expenses:		
Q		3.6
		100

The following is a brief explanation of each item:

A includes all money paid to the miners for mining and loading coal in the breasts or working places; and also any expenses for manways which are necessary to render steep breasts accessible.

B includes the expenses which are necessary to provide the proper traveling ways for the entrance and exit of the miners, and for their passage to the different parts of the mine. (There are some very stringent provisions in the mine law in regard to second openings and traveling-ways.) Also all roads and passages made for taking mules in and out of the mines, and for transferring them from one part of the mine to another; also the work done for the purpose of providing openings for the steam-pumps and passage of steam to them or water from them, together with the expense of keeping them up in a safe condition; and also all counter-gangways, batteries, chutes, etc., put in to facilitate the getting of the coal.

C includes all work which is done to open up and develop the veins of coal preparatory to their being mined. To a certain extent they correspond to the work of laying out streets and alleys in a town. In some mines this is very expensive.

D includes the cost of such timber, and setting of the same as may be necessary to make all the working places safe; and also all repairs to timbering throughout the mines, except the first expense of timbering gangways, which are charged in C, and the batteries and platform in the breasts, which are charged in B.

E includes the cost of providing the mines with air and of rendering it safe from explosions of fire damp, or from the accumulation of black or white damp; such as the expenses of driving air-ways along the gangways, cross-headings between the breasts or working places, all material for building of brattices (which are wooden or cloth partitions placed on gangways or other working places, for the purpose of carrying the fresh air on one side to the face of the working and returning it on the other side), and the expenses of erecting and maintaining such brattices in the mine; and also the putting in of such doors, stopping, and pipes as may be necessary to make the ventilation effective; also the cost of running fans, including the steam, which is sometimes very expensive, as the fans are often very large and run continuously, without stopping nights or Sundays. It includes generally all the expenses for taking care of the air in the mines, so that there will be no danger of explosion, and that the men will receive at their various working places at least the amount of air required to be furnished to them by law.

F includes all the expenses that are necessary to take care of the water originating in the mines. Probably the largest item of expense is the cost of the steam, but there are also the repairs to the boilers, the cost of the pumps, repairs to the same, wages of the men who have charge of the running and taking care of the pumps, cleaning ditches and sumps, making ditches inside of the mine, and generally seeing that the water which originates all through the mines does not interfere with the workings of the colliery. This expense sometimes becomes so great as to render collieries unworkable profitably.

G includes all the expenses incident to the moving of the coal from the breast, where it is loaded by the miner into the car, to the top of the breaker, if the breaker is connected with the mine, and the foot of the breaker, if it is situated some distance from the mine. The actual expense of keeping up the tracks is kept in a separate item, which follows this. The principal elements in this cost are those of engines, steam, ropes for hoisting up the different planes and shafts, locomotives and mules for running the coal where the track is approximately horizontal, the mine cars and keeping them in repair, stationary and locomotive engineers, firemen, mule-drivers and their assistants who go with the trains and hitch the cars on, couple them, and take them off. A very great item in the cost is loss and depreciation of mules, and the renewal and repairs of locomotives, cars, ropes, harness, and all the other apparatus which are required to move the coal. Under this heading is also included all the expenses required for the purpose of shortening or facilitating the transportation, such as the expense of making a new turn-out, when the haul becomes too long, always excluding the cost of the track, which, as I stated before, is kept separate. It is often found that, by the expenditure of money, the haul can be shortened or rendered easier. All such expenses are charged to transportation. The item of transportation may seem very large, but the amount of money required to keep up and repair the cars is very great, and the loss of mules by accident is also very great. I have often been very much astonished myself to find how the infinite number of expenditures we are obliged to make mount up.

H includes the expenses of shafting, boring, and prospecting, which are necessary from time to time in order to carry on the work intelligently. It also includes the salaries of the different bosses or foremen, and the expenses of laying out the inside work, and of making the surveys and the maps of the collieries which are required by law. It also includes all the expenses of keeping the time and the cost of the mine work proper as distinguished from the general books of the company.

I includes the expense of laying and maintaining tracks and inclined planes, including the cost of rails as well as sills, spikes, switches, frogs, crossings, and lumber required.

J is the first of the outside expenses, and is that of breaking, screening into sizes, and taking out the slate and other refuse material. This is largely made up of wages.

K includes the loading the coal in cars and billing them, inspecting the coal before it goes away, and making up the manifests for the railroads, notifying customers, etc., of the shipments.

L includes the expenses of pumping the water that is necessary for washing the coal on the breaker, hoisting the coal on the breaker, and generally all the expenses of the machinery, and of the mules that are used to handle the rock and coal in and around the breaker, and getting rid of the refuse.

M, N, and O explain themselves.

P is the expense of keeping up the outside tracks around the breaker, which includes the tracks with which the coal is loaded in the large cars, and also the tracks with which the small mine cars are handled; and also the tracks by which refuse and slate are carried out.

General expenses (Q) includes insurance, which is a very heavy item on the coal-breakers, taxes, expenses necessary to keep up such ditching and water-ways open on the surface to prevent the mines from being flooded, taking care of roads, bridges, etc., that may be necessary to reach the breaker or mine with lumber, and also all general office expenses chargeable to coal.

Now, while the above table gives an approximate idea of how these costs are divided, it is probably not true of any one mine. I have endeavored to make out, as nearly as I could, a table giving an average for a number of mines with which I am familiar, but you must understand that in no two mines would these items of expense agree. In some mines little pumping is required, and in others the cost of pumping is very great. In some the cost of timbering is enormous; in others it is very small. In some mines the cost of preparation is very great, owing to the impurities found in the vein; so that although it is probable that there are some mines where the cost of producing coal is as low as $1 per ton, there are others where it costs over $2; and the increase in cost may be in any one of the items mentioned above. To give some idea of the steam-power required, I mention here that in the year 1886 we mined and sold 1,144,847 tons of coal, and consumed ourselves at our works 81,838 tons, almost the whole of which was used for making steam; and in 1887 we mined and sold 905,069 tons, and consumed 100,154 tons at the works almost wholly for steam.

Yours, truly,

ECKLEY B. COXE.

HON. G. D. TILLMAN,
Chairman Strike Investigating Committee, House of Representatives.

EXHIBIT 61.

Number of employés.

	August, 1887.	December, 1887.
Mining department	1,840	460
Preparation department	1,279	399
Outside department	366	95
Machinery department	155	128
Construction department	6	2
Miscellaneous	53	50
	3,699	1,134
Selling department	193	140
	3,891	1,247

EXHIBIT 62.

CENTRAL RAILROAD COMPANY OF NEW JERSEY,
OFFICE OF THE GENERAL FREIGHT AGENT, 119 LIBERTY STREET,
New York, February 15, 1888.

ANTHRACITE COAL TARIFF.

[No. A. 1 (second revision)—Superseding Tariff No. A. 1 (revised), in effect May 20, 1887.]

Anthracite coal consigned to the shipping ports of Elizabethport, Port Johnston, and Jersey City for shipment thence, on and after Thursday, March 1, 1888, and until further notice, will be transported at the following rates, based upon the selling price of the coal per ton of 2,240 pounds free on board of vessels.

I. *From Ashley Station in the Wyoming region.*—From the average price at which Wyoming coal of the sizes larger than pea coal shall sell free on board each month, 70 cents shall be deducted; out of the remainder, 56 per cent. will be taken as the charge for freight and for the expenses at the shipping port on all coals larger than pea coal; 46 per cent. will be taken as the charge for freight and shipping expenses on pea coal; and 40 per cent. will be taken as the charge for freight and shipping expenses on buckwheat and smaller coals.

II. *From the Lehigh region.*—From the average price at which Lehigh coal of the sizes larger than pea coal shall sell free on board each month, 70 cents shall be deducted; out of the remainder, 52½ per cent. will be taken as the charge for freight and for the expenses at the shipping port on all coals larger than pea coal; 43½ per cent. will be taken as the charge for freight and shipping expenses on pea coal; and 37½ per cent. will be taken as the charge for freight and shipping expenses on buckwheat and smaller coals.

III. *From the Summit region.*—From the average price at which Lehigh coal of the sizes larger than pea coal shall sell free on board each month, 70 cents shall be deducted; out of the remainder, 46 per cent. will be taken as the charge for freight and for the expenses at the shipping port on all coals larger than pea coal; 38 per cent. will be taken as the charge for freight and shipping expenses on pea coal; and 33 per cent. will be taken as the charge for freight and shipping expenses on buckwheat and smaller coals.

IV. *From the Schuylkill region.*—From the average price at which Schnylkill coal of the sizes larger than pea coal shall sell free on board each month, 70 cents shall be deducted; out of the remainder, 54 per cent. will be taken as the charge for freight and for the expenses at the shipping port on all coals larger than pea coal; 44½ per cent. will be taken as the charge for freight and shipping expenses on pea coal; and 38½ per cent. will be taken as the charge for freight and shipping expenses on buckwheat and smaller coals.

T. B. KOONS,
Division Freight Agent.

P. H. WYCKOFF,
General Freight Agent.

EXHIBIT 63.

House rents.

Drifton.	Old Woodside.	Eckley.	Buck Mt.	Stockton.	Beaver Meadow.	Tombhicen.	Deringer.	Gowen.	Green Mt.	Total.	Rent per month.
......	5	27	....	8	8	22	38	5	6	119	$5.50
......	......	3	....	....	......	......	....	....	....	3	5.25
105	13	8	5	....	......	......	....	....	..	131	5.00
......	......	45	....	....	......	......	....	....	....	45	4.75
28	......	....	....	....	......	......	....	....	....	28	4.60
......	......	7	....	....	......	......	....	17	....	24	4.50
......	......	1	....	....	......	......	....	..	....	1	4.35
......	......	....	..	1	......	......	....	....	....	1	4.10
102	......	36	9	....	16	76	48	53	8	348	4.00
20	......	....	....	....	......	......	....	....	....	20	3.60
......	8	2	....	....	......	......	....	....	....	10	3.50
1	......	....	....	....	......	......	....	....	....	1	3.45
......	......	....	....	13	......	......	....	....	....	13	3.25
......	......	....	....	1	......	......	....	....	....	1	3.20
......	......	1	3	....	......	......	....	6	....	10	3.00
......	1	..	....	24	......	......	....	....	....	25	2.75
......	......	2	....	1	......	......	....	....	....	3	2.50
......	......	1	....	....	......	......	....	....	....	1	2.40
......	......	43	....	....	......	......	....	1	....	44	2.00
1	......	15	4	2	2	4	....	1	....	29	1.50
......	......	..	....	....	2	2	....	....	....	4	1.00
......	......	1	....	....	3	......	1	....	....	5	.50
......	......	..	....	....	......	1	....	....	....	1	.25
......	......	....	....	....	54	......	....	....	....	54	1.00

AN ACT to facilitate the collection of taxes in the counties of Luzerne and Carbon.

SECTION 1. ***Be it enacted by the senate and house of representatives of the Commonwealth of Pennsylvania in general assembly met, and it is hereby enacted by the authority of the same,*** **That the collectors of all taxes, which may be levied in the counties of Carbon and Luzerne, shall, within thirty days after the receipt of their duplicates, give notice, by not less than six written or printed handbills, posted in conspicuous places in their respective boroughs, townships, or districts, that payment of the taxes contained in their duplicates will be required within a certain time from the posting of such notices, not less than thirty days thereafter.**

SEC. 2. That after the expiration of the time mentioned in such notice, it shall be lawful for the collectors, in addition to the methods provided by existing laws, for the enforcement of the payment of taxes, *to give written lists, or notices, to any and every person, firm, or corporation, whom, or which, he, the said collector, may believe to be indebted, or, within six months thereafter, likely to become indebted, to any tax-payer, or tax-payers, named in his duplicate or duplicates, or the supplements thereto;* which list, or notice, shall contain the name and occupation of such tax-payer, or tax-payers, and the amount of the taxes due and unpaid, by him, or them; and *the person, firm, or corporation, so notified, shall, from time to time, within six months after receiving such list, or notice, pay to the collector the whole amount of taxes charged in such notice, except as hereinafter provided*, taking his, the collector's, receipt for the several items in such list, or notice, in the name of the tax-payer; which receipt shall be a sufficient voucher for the person, firm, or corporation, so notified, in the settlement of his account with the tax-payer, and shall, upon such settlement, be, by such person, firm, or corporation, delivered to the tax-payer: *Provided, That the person, firm, or corporation, shall be released from the payment of any tax contained in such list, or notice, at the expiration of six months from the date of the receipt of the same, by due proof, by affidavit, or affirmation, of himself, or the clerk, or book-keeper, of such firm, or corporation, or by other evidence, satisfactory to the collector*, that said *tax had been paid, by the tax-payer, to the collector, after the receipt of said list, or notice, or that he, or they, were not, at any time after the receipt of said list, or notice, indebted to the tax-payer, an amount equal to his tax, or that, having been so indebted, the tax-payer was in such indigent circumstances as to entitle him to exoneration from the payment* of his tax: *Provided further*, That nothing herein contained shall, in any manner, interfere with the rights of any tax-payer, by application, to the proper authorities, to procure exoneration for mistakes, indigence, or other lawful cause.

SEC. 3. That upon payment of the amount of such list, or notice, or such portion of the same, as the said person, firm, or corporation, shall be liable to pay, under the provisions of this act, the *said person, firm, or corporation, may retain two per centum commission upon the amount he, or they, shall be liable to pay; which commission shall be paid by the tax collector, out of his commissions for collections;* and for any default of payment, by said person, firm, or corporation, of the amount so collected, or retained, by him, or them, the collector shall have the same process as he would have had for the collection of such tax, if the same had been originally charged in his duplicate, against such person, firm, or corporation.

Messrs. COXE BROS. & CO.:

GENTLEMEN: I certify that the inclosed page list of taxables and amount due by same for road tax for year 1885 is a correct copy of my duplicate as received from the commissioners of Carbon County. I have placed my initials on each page

H. MCGARVEY.

EXHIBIT 64.

List of taxables of Banks Township, in employ of Coxe Bros. & Co., at Beaver Meadow Collieries.

[Miners valued at $100; laborers, at $75. 8 mills levy.]

Names.	Valuation.	Amount of tax.
Aegist, Thomas	Miner	$0.80
Andrew, Joseph	do	.80
Argust, John	do	.80
Andrews, Jeremiah	Laborer	.60
Albertine, Santo	do	.60
Aluchigo, Michael	do	.60
Atkinson, Daniel	do	.60
Archer, George	do	.60
Andrew, Michael	do	.60
Andrew, Peter	do	.60
Bray, William	do	.60
Boyle, Patrick	Miner	.80
Boyle, Daniel	do	.80
Bonner, James	Laborer	.60
Bonner, John	Miner	.80
Boyle, Hugh	Laborer	.60
Bennyhoff, Thomas	Blacksmith	.80
Bonner, Dennis	Laborer	.60
Brady, Thomas	do	.60
Bachman, Philip	Pump boss	1.60
Boyer, Israel	Boss	1.20
Boyce, Lawrance	Miner	.80
Boyler, Edward	Laborer	.60
Barr, William	do	.60
Boyle, James	do	.60
Boyle, Patrick	do	.60
Connaghan, Patrick	Miner	.80
Cotes, Julius	do	.80
Connell, Michael	do	.80
Connell, Michael, jr	Laborer	.60
Carberry, Daniel	do	.32
Connaghan, George	Miner	.80
Coyle, John	do	.80
Cull, Hugh	do	.80
Cole, Dennis	do	.80
Cole, James	Laborer	.60
Dougherty, Anthony	Miner	.80
Duffy, Michael	do	.80
Duffy, John	Laborer	.60
Dugan, Leon	do	.60
Dougherty, Patrick	Miner	.80
Dehl, John	Laborer	.60
Dehl, Christ	Miner	.80
Davis, Daniel	do	.80
Elkins, Abram	Laborer	.60
Early, William	do	.60
Early, Edward	Miner	.80
Fitzgerald, James	do	.80
Farrow, Lee	Laborer	.60
Fry, Niles	do	.60
Fry, Charles	do	.60
Flood, John	do	.60
Flickinger, Emannel	Carpenter	.80
Flening, William	Miner	.80
Flin, Joseph	do	.80
Ferry, John	do	.80
Garraghan, Edward	Engineer, and house.	1.20
Garraghan, Peter	Engineer	.80
Garraghan, James	Miner	.80
Gallagher, Cornelius	Laborer	.60
Gillespie, John	Miner	.80
Gallagher, James	Laborer	.60
Gallagher, Edward	Miner	.80
Gaffighan, John	do	.80
Gallagher, Hugh	Miner, house and cow.	1.08
Gallagher, Maurice	Laborer	.60
Gallagher, John, (4)	Miner	.80
Greenwalt, William	Carpenter	.60
Gibbon, Evan	Laborer	.60
Garraghan, James	Carpenter and house.	.88
Howells, Daniel	Miner	.80
Hunilus, Joseph	Laborer	.60
Higgins, John P	do	.60
Howells, Thomas W	Mine boss	$1.20
Herbert, Mathew	Laborer	.60
Harris, John	Miner	.80
Harris, Daniel	Laborer	.60
Isaacs, Morgan	Laborer, house and lot.	1.[illegible]
Isaacs, William	Laborer	.60
Isaacs, David	Laborer (mistake).	
Julian, George	Miner	.80
Juryoas, Anthony	do	.80
Jenkins, Daniel	Laborer	.60
Krouse, George	Miner	.80
Kelshaw, Joseph	Mine boss and house.	1.[illegible]
Kemerry, Aaron	Teamster	.60
Kelshaw, John	Laborer	.60
Lewis, John	do	.60
Lorah, Samuel	Fireman	.80
La Velle, John	Laborer	.60
Mooney, John	Miner	.80
Metick, Anthony	do	.80
Morgan, William	Laborer	.60
Muskow, Fred	do	.60
Martin	do	.60
Mulhall, James	do	.60
Mulhall, Robert	do	.60
McGarvey, Charles	Miner	.80
McGarvey, William	Laborer, house and cow.	.84
McBride, Hugh	Miner and cow	[illegible]
McGeady, James	Laborer	.60
McCole, Neil	Miner	.80
McSherry, Charles	Laborer	.40
McGee, Daniel	do	.60
McNamarra, Patrick	do	.60
McNamarra, Michael	do	.60
McNamarra, Thomas	Miner	.80
McLaughlin, Thomas	Laborer	.60
McCabe, William	do	.60
McNeilus, Dominick	do	.60
McNeilus, Andrew	do	.60
Nothstein, Milton	do	.60
Nothstein, Nelson	do	.60
O'Donnell, James	Miner	.80
Paul, James	Laborer	.60
Pierson, Henry	do	.60
Quinn, Cormac	Miner	.80
Rodgers, Charles	Laborer	.60
Richards, William	do	.60
Robinson, B. R	do	.60
Rossi, John	Miner	.80
Richards, John	Laborer	.60
Rochards, John, jr	do	.60
Stauffer, Daniel	Carpenter	.80
Stauffer, James B	Carpenter, and house and lot.	[illegible]
Sambler, William, sr	Miner	.80
Sambler, William, jr	Laborer	.60
Seigler, Andrew	Carpenter	.80
Sweeney, John	Laborer	.60
Seigfield, Harmon	Carpenter	.80
Shine, William	Blacksmith	.80
Scanlon, Richard	Miner	.80
Schultz, Aaron	Watchman	.60
Trevaskis, John T	Laborer	.60
Tilson, Thomas	Boss	.80
Urin, James	Laborer	.60
Vein, Philip	Miner	.80
Van Horn, J. D	Laborer	.60
Ward, Con	Miner	.80
Ward, James	Laborer and house.	.88
Williams, John	Miner and two lots.	1.[illegible]
Walling, Daniel	Breaker boss	.60

EXHIBIT 65.

Supplementary list of taxables of Banks Township, Carbon County, in employ of Coxe Bros. & Co., Beaver Meadow, with amount of road tax and collectable by said company.

[*m.* for mines, *st.* for stripping, *b* for breaker.]

Names.	Valuation.	Amount of tax.	Names.	Valuation.	Amount of tax.
		Cents.			*Cents.*
John Wargolla, *m.*	Laborer $75	60	Andrew Denis, *b*	Laborer, $75	60
John Cotchner, *st.*	do	60	Mike Potosky	do	60
Mike Catchner, *st*	do	60	John Blashciak, *st.*	do	60
Mike Herman, *st.*	do	60	Stephen Daraclak, *st.*	do	60
Peter Mike, *st*	do	60	John Stovack, *st*	do	60
Joseph Stephano, *m.*	do	60	Pimco Denis, *st*	do	60
John Dubeba, *m*	do	60	Joseph Denis, *st*	do	60
Metro Warhulla, *m.*	do	60	John Kyman, *m*	do	60
Joseph Vanuta, *st.*	do	60	Andro Gyurco, *st.*	do	60
George Kruchko, *b*	do	60	Mike Martin, *m*	do	60
John Siroka, *b*	do	60	George Marcin, *m.*	do	60
John Yuhas, *b*	do	60	George Hudak, *b*	do	60
John Gupin, *m.*	do	60	Edy Chipaliar, *b*	do	60
Fedo Warhulla, *m*	do	60	John Heno, *b*	do	60
John Kalynyak, *st.*	do	60	John Kopchak, *b*	do	60
Joseph Soper, *st.*	do	60	George Pisoinchik, *st.*	do	60
Mike Soper, *st.*	do	60	John Simchak, *st.*	do	60
Joseph Mehalko, *st.*	do	60	Peter Pisanchik, *st*	do	60
John Mahalko, *st.*	do	60	Franz Pisanchik, *st.*	do	60
John Stephanko, *m.*	do	60	Mike Watral, *st*	do	60
Mike Stephanko, *st.*	do	60	John Watral, *st*	do	60
John Punda, *st*	do	60	Demeter Labic, *st.*	do	60
Joseph Fenerech, *st*	do	60	Mike Fechco, *st.*	do	60
John Burco, *st.*	do	60	Mike Pholcho, *st.*	do	60
Stephen Pupi, *st.*	do	60	John Warnyco, *st.*	do	60
John Andosky, or Ondsky, *st.*	do	60	George Labic, *m.*	do	60
			George Lazka, *m.*	Miner, $100	80
George Pisaichik, *st*	do	60	John Kudla, *m.*	Laborer, $75	60
Mike Horick, *m.*	do	60	Andro Scitko, *m.*	do	60
John Matsuja, *st*	do	60	George Belachik, *b*	do	60
Nickolas Shutzac, *st*	do	60	Nicholas Kudla, *b*	do	60
John Chismar, *m.*	do	60	George Matsuga, *st.*	do	60
John Novotnyak, *b*	do	60	Vasyl Kreta, *st.*	do	60
John Soper, *b*	do	60	John Koramco, *st.*	do	60
Mike Warhulla, *m*	do	60	Mike Wanyco, *st.*	do	60
Mike Furtchak, *st*	do	60	Nicholas Demco, *b*	do	60
Mike Purshcar, *st.*	do	60	Vincent Kreisker	Miner, $100	80
John Pushcar, *st*	do	60	Peter Moscow	do	80
John Butkopski, *m.*	do	60	Peter Schweiger	do	80
Mike Bareah, *m*	do	60	Jacob Schiveiger	do	80
Mike Stah, *b*	do	60	Joseph Waiteck	do	80
Paul Laser, *b*	do	60	Fortunati Fellin	Laborer, $75	60
John Germez, *b*	do	60	John Corra	Miner, $100	80
Mike Hardig, *b*	do	60	Philip Fellen	do	80
Mike Poslonshak, *b*	do	60	Jacob Fellin	Laborer, $75	60
Peter Andrew, *st.*	do	60	Joseph Fellin	Miner, $100	80
Andrew Boberlla, *m*	do	60	Sisimo Fellin	Laborer, $75	60
Stephen Marcin, *m.*	do	60	Daniel Schlosser	do	60
Stephen Poslonshak, *m.*	do	60	Samuel Louer	do	60
John Kroopa, *m.*	do	60	Benj. Daniels	do	60
John Lechko, *m*	do	60	John Mullingan	do	60
John Farbian, *st*	do	60	Owen Dougherty	do	60
Peter Martzin, *st.*	do	60	Condy McHugh	do	60
Peter Sinchak, *st.*	do	60	John Lyons	do	60
Sando Borofski, *st.*	do	60	Patrick Bonner, 4th	Miner, $100	80
Mike Releshak, *b*	do	60	Cornelius Mahon	Laborer, $75	60
John Novotnack, *m.*	do	60	Joseph Evans	do	60

A. McGARVEY,
Superintendent, 1885.

APPENDIX*

CONTAINING

The testimony in the injunction suit between the State of Pennsylvania and the anthracite carriers and operators, in the year 1886, and referred to in the testimony before the committee of John Norris, pages 300, 301, and Eckley B. Coxe, pages 604, 610.

REPORT OF EXAMINERS IN THE COURT OF COMMON PLEAS OF DAUPHIN COUNTY, SITTING IN EQUITY.

The Commonwealth of Pennsylvania, plaintiff, and The Philadelphia and Reading Railroad Company, the Philadelphia and Reading Coal and Iron Company, Stephen A. Caldwell, George de B. Keim, and Austin Corbin, receivers of said companies, the Lehigh Valley Railroad Company, the Delaware, Lackawanna and Western Railroad Company, the Delaware and Hudson Canal Company, the Pennsylvania Railroad Company, the Pennsylvania Coal Company, the New York, Lake Erie, and Western Railroad Company, the Lehigh Coal and Navigation Company, the Lehigh Valley Coal Company, the Susquehanna Coal Company, Mineral Railroad and Mining Company, Summit Branch Railroad Company, and Lykens Valley Coal Company, defendants.

No. 98. Equity docket.

[Certificate of appointment.]

In the court of common pleas of Dauphin County, Pa., sitting in equity.

COMMONWEALTH OF PENNSYLVANIA
vs.
GRAND TRUNK RAILWAY OF CANADA *et al.* } **No 97, equity docket.**

COMMONWEALTH OF PENNSYLVANIA
vs.
THE PHILADELPHIA AND READING RAILROAD Company *et al.* } **No. 98, equity docket.**

And now, to wit, December 21st, 1886, by consent of all parties, the court do refer the taking of testimony on the Commonwealth's motion for a preliminary injunction to examiners, and do hereby appoint Ehrman B. Mitchell, esq., and James I. Chamberlin, esq., as examiners, for the purpose aforesaid.

This order to apply to each of the above-stated cases.

J. W. SIMONTON, P. J.
JOHN B. MCPHERSON, A. L. J.

Certified from the record at Harrisburg, Pa., this twenty-second day of December, A. D. 1886.

[SEAL.]

WM. H. ULRICH,
Prothonotary.

***As Mr. Anderson in his report has referred by page to that portion of the evidence herein deemed material, no index has been prepared of this appendix.**

4

PROCEEDINGS.

TESTIMONY ON BEHALF OF THE COMMONWEALTH.

PHILADELPHIA, *Tuesday, December 28th*, 1886, 10 a. m.

Present: The examiners, Ehrman B. Mitchell, esq., and James I. Chamberlin, esq. J. Howard Gendell, esq., Robert Snodgrass, esq. (asst. att'y gen.), and Hon. L. C. Cassidy, attorney-general, for the Commonwealth. F. I. Gowen, esq., for the Reading Railroad Company and the Reading Coal and Iron Company. M. E. Olmsted, esq., for Lehigh Coal and Navigation Company. Henry S. Drinker, esq., for the Lehigh Valley Coal Company. Messrs. Dickson, Ashhurst, and Kaercher for receivers of the Reading Railroad Company and Coal and Iron Company. Messrs. MacVeagh and John Scott, in case No. 98, for the Pennsylvania Railroad Company, the Pennsylvania Company, the Susquehanna Coal Company, the Mineral Railroad Mining Company, the Summit Branch Railroad Company, and the Lykens Valley Railroad Company. Messrs. MacVeagh and Scott, in case No. 97, for the Pennsylvania Railroad Company, the Pennsylvania Company, the Philadelphia, Wilmington and Baltimore Railroad Company, and the Pittsburgh, Cincinnati and St. Louis Railroad Company. John Hampton Barnes, esq., for John Scott and William H. Barnes, receivers of the Allegheny Valley Railroad Company, in No. 97; and John G. Johnson, esq.

Mr. CASSIDY. We had intended to go on upon the part of the State at the meeting this morning, but in consequence of an affidavit submitted by the other side, which is quite voluminous, and which I desire to consider before either rejecting or admitting, I shall have to ask you to postpone action to-day.

Upon consultation with the gentlemen on the other side I find we can not have the witnesses that we want present until Friday; therefore, if Friday at 11 o'clock will suit your convenience, it suits the convenience of all the parties interested.

By agreement of all parties the hearing was continued until Friday, December 31st, 1886, at 11 a. m.

5

PHILADELPHIA, *Friday, December* 31st, 1886, 11 a. m.

Present: The Examiners (Messrs. Mitchell and Chamberlin); Hon. Lewis C. Cassidy, Messrs. Snodgrass, Gendell, Drinker, Wolverton, Kaercher, Scott, MacVeagh, Ashhurst, Dickson, Olmsted, Morris, Gowen, Barnes, and Johnson.

JOSEPH S. HARRIS, having been duly affirmed, was examined as follows:

By Mr. CASSIDY:

Q. What mining company are you an official of?

A. I am an official of the Lehigh Coal and Navigation Company.

Q. What position do you occupy?

A. President.

Q. What positions other than president have you held in that corporation?

A. I was the superintendent and engineer at one time.

Q. Have you held any positions in other mining companies?

A. Yes, sir; I am president of the Alliance Coal Mining Company. I was superintendent and engineer of the Lehigh and [illegible]kesbarre Coal Company for some years. I was associate engineer of the Philadelp[illegible]d Reading Coal and Iron Company for some years, and I have been the engineer [illegible]her coal companies.

Q. Do you occupy those places at present, [illegible] any of them?

A. Yes, sir; my connection now is only with the Lehigh Coal and Navigation Company and with the Alliance Coal Mining Company.

Q. What relation do you hold to the carrying companies, or to any carrying company?

A. I am one of the receivers of the Central Railroad Company of New Jersey and the vice-president of the Lehigh and Hudson River Railroad Company.

6 Q. Although it is not an office question you were an expert to fix the value of certain coal lands for the Reading Company?

A. I was so employed.

Q. The Lehigh Coal and Navigation Company, of which you are the president, is a mining company?

A. It is.

Q. Do you know what corporation or what set of people own the controlling stock of that corporation?

A. No set of people.

Q. What corporation, if any, owns it?

A. None to any extent. The stock is very largely distributed among the public and very largely held by small owners. There is no corporation that I know of holds any considerable part.

Q. The Lehigh Valley Railroad Company, then, does not own any?

A. So far as I know, the Lehigh Valley Railroad Company has no interest in it whatever.

Q. The substantial anthracite coal region of the country is in Pennsylvania?

A. Yes, sir.

Q. In what parts?

A. In Schuylkill, Carbon, Luzerne, Lackawanna, Northumberland, Columbia, and Dauphin Counties.

Q. Covering an area in square miles of how much?

A. It is usually estimated a little under five hundred miles. The boundaries are not very clearly defined.

Q. The mines of that region are owned by whom?

A. Do you mean of the anthracite region?

Q. Yes.

A. By various owners. A great many owners.

Q. You are familiar with the subject. Give us what knowledge you have about that. For example, how much does the Philadelphia and Reading own?

A. Of the coal lands? Are you distinguishing between coal lands and mines?

Q. Coal lands.

A. As nearly as I can remember, about one-third.

Q. That is one-third of the five hundred?

A. One-third of the five hundred.

Q. Who own the balance?

A. I can not state at all with accuracy what the proportions are of the others, because I have never seen any statement of their holdings. They are not published so far as I know. The Lehigh Coal and Navigation Company owns perhaps four per cent.; the Lehigh Valley Coal Company is a large owner; the Lackawanna Coal and Iron Company is a large owner; the Delaware, Lackawanna and Western Railroad Company, I believe, is an owner; the Delaware and Hudson Canal Company is an owner; the Pennsylvania Coal Company is an owner; the Susquehanna Coal Company is an owner; the Mineral Railroad and Mining Company is an owner, and the Alliance Coal Mining Company.

Q. Summit Hill?

A. There is no Summit Hill company.

Q. Does the Jersey Central control any?

A. The Jersey Central owns no coal lands. I do not know that I stated the Lehigh and Wilkesbarre Coal Company; that is also an owner.

Q. You have named those that own the land?

A. I have named a portion of those that own the land. I suppose that I have named those which own perhaps a majority of the land, and then there are a very considerable number of private owners.

Q. Who own the mines or the right to mine?

A. They are also owned very variously.

Q. Do the parties that you have named own the controlling interest, or do they control the region?

A. No; they do not control the region; they own very large interests in it; they own the majority.

Q. A very large majority. What proportion would you say?

A. I should suppose those that I have named own at least two-thirds.

Q. Are most of the companies that you have named controlled by carrying companies?

A. That I have no means of knowledge of.

Q. Do you know any of them that are?

A. Not of my own knowledge.

Q. What do you mean by that, your own knowledge?

A. I mean that I am not aware of my own knowledge; I can not testify of my own knowledge that the carrying companies own any.

Q. Have you any doubt about it at all?

A. No; I suppose that they are. I suppose that a number of them are controlled by carrying companies.

Q. Have you any doubt at all that the carrying companies not only control a large majority of the land but of the coal production of the region?

A. My means of knowledge is not such as to allow me to testify on that subject. I should suppose that they did control a majority; whether a large majority or not I do not know. Those are matters that are not published usually in any statement of the companies in their annual statements. I have no means of knowledge.

Q. Have you produced the books and papers called for in the subpena?

A. I have.

Q. Did you attend a meeting of persons interested in the coal business in December, 1884?

A. I did.

Q. Where was it held?

A. That meeting was at the office of the Pennsylvania Coal Company in New York.

Q. Was there one before that in Philadelphia that same month, the 19th of December, of which you were the secretary?

A. There was a meeting on the 19th of December.

Q. Where was that meeting held on the 19th of December?

A. That meeting was at the office of the Lehigh Valley Railroad Company in Philadelphia.

Q. Who were present at it?

A. I have not the names of all the persons who were present there.

9 Q. Give us those that you remember.

A. Mr. F. B. Gowen.

Q. Who did he represent?

A. He represented the individual producers of the Schuylkill region and the Philadelphia and Reading Railroad Company, as it is recorded here. I am not positive whether he announced himself as representing the Philadelphia and Reading Railroad Company or the Philadelphia and Reading Coal and Iron Company. He is recorded as above stated.

Q. Who else was there?

A. Mr. E. P. Wilbur.

Q. Who did he represent?

A. He represented the Lehigh Valley Coal Company and the Lehigh individual producers.

Q. Who else?

A. Mr. Samuel Sloan, he represented the Delaware, Lackawanna, and Western Railroad Company; Mr. R. M. Olyphant, representing the Delaware and Hudson Canal Company; Mr. I. J. Wister, representing the Pennsylvania Railroad Company's coal companies; Mr. G. A. Hoyt, representing the Pennsylvania Coal Company; Mr. William H. Tillinghast, representing the Lehigh and Wilkesbarre Coal Company; Mr. F. A. Potts, representing the New York, Susquehanna and Western Railroad Company; Mr. R. M. Olyphant, representing the New York, Lake Erie and Western Railroad Company; J. S. Harris, representing the Lehigh Coal and Navigation Company Those are all the names.

Q. Who presided at that meeting?

A. Mr. Sloan.

Q. I think you were the secretary?

A. I was the secretary.

Q. Have you the minutes of that meeting here?

A. I have.

(Witness produced minutes.)

Q. These minutes were made, I assume, at the time by you?

A. These are not the original notes, but a copy of the original notes. They are the ordinary writing out of the original notes.

10 Q. They are a correct copy of what was done?

A. Yes, sir.

The minutes produced by the witness are as follows:

"Pursuant to call a meeting was held at noon, December 19th, 1884, at the office of the Lehigh Valley Railroad Company, at Philadelphia, at which were present representatives of all the anthracite interests.

"Mr. Samuel Sloan was called to the chair and Mr. J. S. Harris was elected secretary of the meeting.

"The chairman explained the object of the meeting to be the devising of the best means of carrying on the business of producing and marketing anthracite for the year 1885.

"The secretary called the roll, when it appeared that there were present: Representing the Philadelphia and Reading Railroad Company, F. B. Gowen; representing the Schuylkill individual producers, F. B. Gowen; representing the Schuylkill Valley Coal Company, E. P. Wilbur; representing the Lehigh individual producers, E. P. Wilbur; representing the Delaware, Lackawanna and Western Railroad Company, S. Sloan; representing the Delaware and Hudson Canal Company, R. M. Olyphant; representing the Pennsylvania Railroad Company's coal companies, I. J. Wister; representing the Pennsylvania Coal Company, G. A. Hoyt; representing the Lehigh and Wilkesbarre Coal Company, W. H. Tillinghast; representing the New York, Susquehanna and Western Railroad Company, F. A. Potts; representing the New York, Lake Erie and

Western Railroad Company, R. M. Olyphant; representing the Lehigh Coal and Navigation Company, J. S. Harris.

"Mr. Olyphant addressed the meeting, calling attention to the evils of the present system of working, and urging a division of the output of coal according to a definite quota for each interest.

"The following resolutions were offered by Mr. F. B. Gowen, and upon a poll of the meeting were found to be unanimously adopted:

"*Resolved*, That it is the judgment of this meeting that for the future the total output of anthracite coal required or taken by the market should be divided
11 among all interests in proper monthly or yearly quotas.

"*Resolved*, That a committee of three be appointed by the chair to prepare and present at an adjourned meeting a plan for such distribution, with the proper quotas to be allotted to each interest.

"*Resolved*, That each interest be requested to prepare and submit to said committee its claim for quotas, with such other suggestions as it may desire to present for the consideration of the committee.

"The chair nominated and the meeting elected the following committee in pursuance of the second resolution: F. B. Gowen, G. A. Hoyt, J. S. Harris. There being no further business before the meeting it adjourned to re-assemble on the call of the chair.

"J. S. HARRIS,
Secretary."

Q. These were the resolutions that were offered?

A. Yes, sir.

Q. You have looked at these minutes, and your best judgment is that these are the minutes and contain an exact account of what took place?

A. Yes, sir.

The following resolutions were passed:

"*Resolved*, That it is the judgment of this meeting that for the future the total output of anthracite coal required or taken by the market should be divided among all interests in proper monthly or yearly quotas.

"*Resolved*, That a committee of three be appointed by the chair to prepare and present at an adjourned meeting a plan for such distribution, with the proper quotas to be allotted to each interest.

"*Resolved*, That each interest be requested to prepare and submit to said committee its claim for quotas with such other suggestions as it may desire to present for the consideration of the committee."

Q. These resolutions your minutes say, were adopted unanimously?

12 A. Yes, sir.

Q. Your minutes show all that took place at that meeting?

A. Yes, sir.

Q. Your next meeting was when?

A. It was on the 31st of December, 1884.

Q. At this first meeting your minutes recite the appointment of the committee. I do not think they contain the names of the persons who were appointed?

A. "The meeting elected the following committee in pursuance of the second resolution: F. B. Gowen, G. A. Hoyt, J. S. Harris."

Q. You did make a report at the next meeting, did you?

A. We did.

Q. Where is that report?

A. I have it.

Q. Who was present at the meeting in New York?

A. The same parties, representing the same interests as before, with the exception that Mr. A. Pardee represented the Lehigh producers in place of E. P. Wilbur, and John King, jr., represented the New York, Lake Erie and Western in place of R. M. Olyphant.

Q. In all other respects the same parties?

A. Yes, sir.

Q. The same officers?

A. Yes, sir.

Q. Please let me see the report.

(Witness produced the report.)

This report is dated the 31st of December, 1884. It is as follows:

"Hon. SAMUEL SLOAN, *Chairman*:

"DEAR SIR: The undersigned committtee, appointed to prepare and present a plan for the proper distribution of the coal trade among all interests, together with the quotas to be allotted to each, beg leave respectfully to report—

"*First*, upon the question of proper quotas the committee are unanimous in a belief that a distribution of the quotas must be made upon some recognized principle

just in itself and irrespective of the result to each interest, and the difficulty
13 in arriving at a proper conclusion is due to the divergence of opinion among
the members of the committee upon the following points:

"Mr. Hoyt is of opinion that the proper plan is to base the allotment on the proportion shipped by each interest during the fifteen months of full work in the last five years, embracing an output of 44,051,041 tons. Mr. Harris agrees with Mr. Hoyt, except that he thinks that the ten months of full work in the last three years should be taken as the basis of allotment, embracing an output of 30,579,644 tons. Mr. Gowen thinks that the proper method is to base the allotment on the amount actually shipped by each interest in the years 1877 and 1879, these being the last years in which the anthracite interests were engaged in active competition with each other unrestrained by any compact or agreement, embracing an output of 46,990,370 tons.

"The first plan would apportion the tonnage to be shipped as follows:

	Per cent.
Philadelphia and Reading Railroad Company	39.18
Lehigh Valley Railroad Company	19.44
Delaware, Lackawanna and Western Railroad Company	15.62
Delaware and Hudson Canal Company	11.31
Pennsylvania Railroad Company	7.93
Pennsylvania Coal Company	5.28
New York, Lake Erie and Western	1.24

"And Mr. Hoyt recommended the adoption of these quotas. The second plan would apportion the tonnage as follows:

	Per cent.
Philadelphia and Reading Railroad Company	38.62
Lehigh Valley Railroad Company	19.56
Delaware, Lackawanna and Western Railroad Company	15.97
Delaware and Hudson Canal Company	11.29
Pennsylvania Railroad Company	8.09
Pennsylvania Coal Compnay	5.13
New York, Lake Erie and Western	1.32

14 "And Mr. Harris recommends the adoption of these quotas.

"By the third method of allotment each interest would be as follows:

	Per cent.
Philadelphia and Reading Railroad Company	44.53
Lehigh Valley Railroad Company	18.93
Delaware, Lackawanna and Western Railroad Company	12.68
Delaware and Hudson Railroad Canal	10.22
Pennsylvania Railroad Company	6.84
Pennsylvania Coal Company	5.41
New York, Lake Erie and Western	1.39

"Mr. Gowen, however, admits that proper recognition should be given to changes in the productive capacity of some of the interests since the year 1879, and especially in the case of the Delaware, Lackawanna and Western Railroad Company, due to the output of the New York, Susquehanna and Western Railroad Company, and after making allowance for these, he reports the following as the proper quotas for each interest:

	Per cent.
Philadelphia and Reading Railroad Company	40.50
Lehigh Valley Railroad Company	19.25
Delaware, Lackawanna and Western Railroad Company	15.50
Delaware and Hudson Canal Company	11.00
Pennsylvania Railroad Company	7.50
Pennsylvania Coal Company	5.00
New York, Lake Erie and Western	1.25

"Mr. Gowen recommends the adoption of these quotas.

"*Second.* Your committee is also unable to agree upon a unanimous report as to the length of time over which such quotas shall extend. Mr. Hoyt is of the opinion, and so reports, that the arrangement should last for the period of fifteen months, say from the first of January, 1885, to the first of April, 1886. Mr. Gowen and Mr. Harris are of the opinion, and so report, that the proposed arrangement should extend over a period of five years, for if there is a yearly struggle for increased percentages it will result in a constantly increasing capacity to produce, which is the very evil
15 from which the trade is now suffering. They believe that the best interests of the trade will be served by the abandonment of all surplus collieries, and they are apprehensive that if an arrangement is made for but one year all the interests will consider it necessary to keep all of their collieries ready for future operations, and some may even open new ones with a view of securing larger quotas in the future, and thus the very evil that it was intended to redress will be aggravated.

"*Third.* Your committee further report that for the year 1885 the product required by the market shall be assumed to be thirty millions of tons, divided into the following monthly proportions:

	Tons.		Tons.
January	1,500,000	July	2,800,000
February	1,500,000	August	3,250,000
March	1,800,000	September	3,250,000
April	2,400,000	October	3,250,000
May	2,400,000	November	3,250,000
June	2,500,000	December	2,100,000

"*Fourth.* Your committee further recommend that a standing committee of five persons be formed, to be named by the meeting, whose duty it shall be to meet whenever requested by a majority of tonnage, with a view of increasing the amount of coal to be mined whenever the market requires such increase. The decision of the majority shall be binding upon all interests.

"(Signed)

"GEORGE A. HOYT.
"FRANKLIN B. GOWEN,
"J. S. HARRIS
"*Committee.*"

Q. Have you the minutes of the meeting at which this report was made?

A. I have.

(Minutes produced.)

16 The minutes are as follows:

"On the call of the chairman the representatives of the anthracite interests met at 1 p. m. December 31st, 1884, at the office of the Pennsylvania Coal Company in New York. Present, Philadelphia and Reading and Schuylkill individual producers, F. B. Gowen; Lehigh Valley Coal Company, E. P. Wilbur; Lehigh producers, A. Pardee; Delaware, Lackawanna and Western, S. Sloan; Delaware and Hudson Canal, R. M. Olyphant; Pennsylvania Coal Company, George A. Hoyt; Pennsylvania Railroad's Coal Companies, I. J. Wister; New York, Susquehanna and Western Coal Company, F. A. Potts; Lehigh and Wilkesbarre Coal Company, W. H. Tillinghast; New York, Lake Erie and Western, John King, jr.; Lehigh Coal and Navigation Company, J. S. Harris.

"The minutes of the last meeting were read and approved. The committee appointed by the last meeting to prepare a plan for the distribution of the antharacite production presented a report which was, on motion, accepted. After discussion, the meeting unanimously agreed to adopt the following division of the production for the fifteen months ending March 31st, 1886, except that Mr. Wister desired to be recorded as not voting.

	Per cent.
"For the Philadelphia and Reading interests, including those of the Schuylkill producers, the Lehigh and Wilkesbarre, and the Lehigh Coal and Navigation Company	38.85
For the Lehigh Valley interests, including those of the Lehigh producers	19.60
For the Delaware, Lackawanna and Western interests, including those of the New York, Susquehanna and Western	16.05
For the Delaware and Hudson interests	11.
For the Pennsylvania Railroad interests	8.
For the Pennsylvania Coal Companys' interests	5.
For the New York, Lake Erie and Western interests	1.50
Total	100.

17 "The committee's recommendation in regard to the distribution of tonnage for the year 1885 was in monthly proportions as follows:

	Tons.
For January	1,500,000
February	1,500,000
March	1,800,000
April	2,400,000
May	2,400,000
June	2,500,000
July	2,800,000
August	3,250,000
September	3,250,000
October	3,250,000
November	3,250,000
December	2,100,000
	30,000,000

"Was adopted and the division of tonnage was ordered to be made on this basis until the representatives of the anthracite interests shall agree that an increased production is required to supply the market.

"On motion, Mr. John H. Jones, of Philadelphia, was appointed to keep the record of the production of anthracite by the several interests. The secretary was directed to inform each of the interests monthly of the amount of anthracite production allotted to it.

"On motion, adjourned to meet at the call of the chairman.

"J. S. HARRIS,
"*Secretary.*"

Q. In your report of the 31st of December, which is the report of a committee appointed for the purpose of making the proper distribution of the coal trade, with the quotas to be allotted to each, I see that you allotted to the Philadelphia and Reading Company 39.18 per cent. Your recommendation was 38.62, and to the Lehigh Valley Railroad Company 19.58, and so on. That is correct, is it?

18 A. I can't tell without the paper. This is the report of the committee.

Q. That is your own special recommendation? (Pointing to same.)

A. Yes, sir.

Q. Why did you make any to the Philadelphia and Reading Railroad Company?

A. Simply as a convenient method of stating the interests involved there.

Q. Would it not have been just as easy to have made it to the persons who were mining and had a lawful right to mine? Why did you make an apportionment of this to a carrying company?

A. Simply as a convenient way of stating the interests that were shipping over that road. It was intended as the amount that was fairly due, in my judgment, to the interests that were shipping in that way.

Q. What were those interests that were shipping in that way?

A. They were the Philadelphia and Reading Coal and Iron Company, and a number of other companies and individuals.

Q. Suppose you give us as many as you can of them? You can give us a large majority, I suppose?

A. No, I could not, because I have not been in the habit of dealing with that. Each company dealt with its own individual interests, and the individual interests concerned in each company agreed amongst themselves. I did not consult with them.

Q. How did you fix this rate at all?

A. From taking the history of the trade for the time stated there, ten months, seeing what all the companies had actually shipped in those ten months, and taking that as the probable basis of what they would ship in the future.

Q. But you must have had before you the persons who did ship, or the companies which shipped?

A. Not at all. Simply the aggregate.

Q. Where did you get that?

A. From published statements. The published statistics of the coal trade.

19 Q. Where, for example?

A. They were published in the daily papers.

Q. Then you gathered from the daily papers the information upon which this was based?

A. I gathered from statements that were published in the daily papers as well as elsewhere.

Q. Where else?

A. They were published originally as the statistics of the coal trade—published monthly over Mr. John H. Jones's name.

Q. You personally have connection with the Philadelphia and Reading Company's business, have you not? Are you not an official of some sort?

A. No, sir.

Q. Has your corporation any connection with it?

A. My corporation is a shipper over lines that are under lease by the Philadelphia and Reading Railroad Company.

Q. Under the Reading system?

A. Yes.

Q. Is it not possible for you to give us some idea of what companies were considered by you in making that estimate?

A. Yes, sir; I can remember the companies. I think you asked me the individuals. I can tell you some of the companies.

Q. My purpose was to get all the information, both companies and individuals, that I could.

A. The principal companies shipping over the Philadelphia and Reading Railroad Company and its system are the Philadelphia and Reading Coal and Iron Company, the Lehigh and Wilkesbarre Coal Company, the Lehigh Coal and Navigation Company, the Red Ash Coal Company, the West End Coal Company, and the Upper Lehigh Coal Company. Those are the principal companies shipping over the Reading system. Then, besides that, there are a large number of individual producers.

Q. What proportion did these companies you have named bear to the amount that you gave to the Philadelphia and Reading Railroad Company?

20 A. I should judge from two-thirds to three-quarters.

Q. Over two thirds?

A. I should suppose over; yes, sir.

Q. Of that quantity, how much did the Philadelphia and Reading Railroad Company, through the Philadelphia and Reading Coal and Iron Company, control about?

A. I would suppose about one-third. I will say from one-third to one-half.

Q. Would you say it was in the proportion of about five to eleven?

A. From one-third to one-half would be as near as I could state it.

Q. Was it greater than a third?

A. I should suppose so.

Q. Less than a half?

A. I should suppose so.

Q. Why did you give anything to the Lehigh Valley Railroad Company?

A. For the same reason; because the whole anthracite trade, as it is reported in the statements to which I have alluded, is divided into those seven or eight divisions, and the allotment in the future was based on what had been done in the past.

Q. Then that remark also applies to the Delaware, Lackawanna and Western Railroad Company, the Delaware and Hudson Canal Company, the Pennsylvania Railroad Company, and the New York, Lake Erie and Western Railroad Company?

A. It does.

By Mr. SNODGRASS:

Q. I would like to know what the carrying companies who were not miners had to do with the allotment?

A. I don't understand the question.

Q. What were the relations of the carrying companies to the allotment that the allotment should be made directly to the carrying companies rather than to the miners?

21 A. Simply because we were dealing with seven quantities instead of two hundred. They were convenient divisions into which we divided the total. Afterwards those seven parties, if there were seven interests involved, divided the tonnage among themselves.

Q. Why then were the carrying companies entitled to a representation at the conference?

A. There was no question of who was entitled. It was a mere body of men representing large interests in the coal trade. They came there assuming to represent certain interests. There was no question as to whether they did.

Q. I understand the allotment had reference exclusively to the production of coal. Is that so?

A. I do not know that I quite grasp the question.

Q. I understand you to say that the allotment was made by parties representing the producing interests. Is that so?

A. Yes, sir.

Q. And that allotment was made irrespective of the carrying companies? Is that true so far as the output is concerned?

A. Certainly, it was an allotment solely in regard to production.

Q. Then the carrying companies, as carrying companies, had nothing to do with the allotment? Is that so?

A. I do not know that we ever considered or ever had any occasion to consider that question. Certain gentlemen appeared there as representing certain producing interests. What relation they had to anybody else we did not inquire. It was not a formal conference with credentials. People came there assuming to represent certain interests, and were so treated.

Q. How were the carrying companies interested in the allotment at all, then?

A. I do not know that they were interested at all.

Q. So they were not interested, then, in the allotment at all?

A. I said I did not know that they were interested.

Q. If they were not interested you certainly would know, and please explain how that interest arose.

A. I do not know that they were. That was a meeting representing certain producing interests.

22 Q. If that is so, then why were the carrying companies considered at all in the allotment?

A. They were only considered as representing certain producing interests; certain interests shipped habitually over certain lines of road. There were seven of them, if that is not the number I do not remember; they were all persons of influence, persons who met to consider these questions, and as to who they actually represented nobody inquired. They came there representing these interests. Mr. Pardee, for instance, who came there as seeming to represent the Lehigh producers, produced no credentials. They were simply gentlemen of repute. Mr. Gowen, in representing the Schuylkill individual producers, was asked no questions as to whether he did represent them. He assumed to represent them.

By Mr. CASSIDY:

Q. The New York, Lake Erie and Western do not ship any anthracite coal?

A. When you say ship do you mean carry or produce?

Q. I mean produce—get coal.

A. I believe they do. There are certain companies that are shipping over the New York, Lake Erie and Western; the Hillside Company for one of them. Whether the New York, Lake Erie and Western does mine any coal I do not know.

Q. If you do not know, and had no knowledge then as you have not now, why should it be there at all?

A. I do not know.

Q. Except as a transporter of coal?

A. I do not know. When Mr. King came there, or Mr. Olyphant originally came there representing these interests, we did not question his authority. I am not attempting to avoid any questions; I am stating the truth.

Q. You are stating it from your stand-point?

A. Yes, sir.

Q. Was not the real purpose of all this to include the transportation or carrying just as well?

A. Simply in so far as these companies shipped over these roads.

23 Q. Then your meeting was to consider not only the production, but the shipment—the carrying of the coal?

A. No. Production does necessarily include shipment. It does not necessarily include carrying. For instance, when the Delaware and Hudson produced coal we did not know and did not care whether they shipped it over their own road or whether they shipped it over the Pennsylvania, or whether they shipped it over the Reading. They shipped it where they pleased.

Q. But you did care whether it was carried?

A. We cared how much coal went to market.

Q. Therefore it was that the carrying was one of the subjects for consideration?

A. The carrying was not one of the subjects for consideration.

Q. Mere production was the only one?

A. Production was the only one.

Q. And yet, notwithstanding that fact, you had the mere carrying companies there?

A. No, sir; not only carrying companies. As I say, Mr. Pardee represented the individual producers of the Lehigh and Mr. Gowen the individual producers of the Schuylkill.

Q. But you had carrying companies which were mere carriers there?

A. I think not.

Q. The New York, Lake Erie and Western?

A. I do not know whether the New York, Lake Erie and Western was a mere carrier or not. The New York, Lake Erie and Western certainly does control these companies. Whether it mines itself or not I do not know.

By Mr. SNODGRASS:

Q. From what you have said, I understood, and if I am wrong correct me, that this allotment was intended to control the amount of the coal that should be shipped to the market. Is that so?

A. Yes, sir.

Q. So that the carrying companies then were not permitted to carry more than their respective allottments assigned to them?

24 A. In the total?

Q. Yes.

A. As to permission, there was nothing to prevent them doing it. Those were simple recommendations, as is best shown by the fact that whereas the recommendation was for thirty millions, the shipment was thirty-one millions seven hundred thousand and more.

Q. Was it not intended that the percentage should be preserved in the shipment as well as in the production?

A. Yes, sir. That was the recommendation.

Q. Was not that why the carrying companies were brought into the business at all?

A. No; I do not think so. I think I have correctly stated that the representatives of the carrying companies were there as people who were habituated to deal with the individual interests allied with it.

Q. Have not the carrying companies so far practically adhered to that allotment in their shipments?

A. They have not adhered.

Q. Practically?

A. I do not know. They have adhered as far as they chose.

Q. Was there any understanding relating to their adherence to it as to the shipment that they should not carry any more than by the allotment was to be produced?

A. Nothing that is not in the minutes there. The committee recommended that coal should be carried in certain proportions. The representatives there agreed to it, but there was no further understanding about it than that.

By Mr. GENDELL:

Q. Where are the coal lands of your company, the Lehigh Coal and Navigation Company, situated?

A. In the Southern coal field.

Q. On and near the Lehigh River?

A. Lying west of Mauch Chunk for a distance of 15 or 20 miles.

Q. Your principal shipments are on your canal and on the Lehigh and Susquehanna Railroad, are they not?

A. They are.

25 Q. The Lehigh Canal extends along the Lehigh River from Mauch Chunk to Easton, does it not?

A. It does.

Q. And the Lehigh and Susquehanna Railroad runs along the Lehigh Valley to Easton also, does it not?

A. It does.

Q. They are both of them immediately parallel and close to the Lehigh Valley Railroad, are they not?

A. They are.

Q. The Lehigh and Susquehanna Railroad Company is leased by the Central Railroad Company of New Jersey, is it not?

A. It is.

Q. And at that time, and up to and including to-day, the Central Railroad of New Jersey was and is controlled by the Philadelphia and Reading Railroad Company?

A. Yes, sir.

Q. So that the Lehigh and Susquehanna Railroad was through that lease controlled and operated by the Philadelphia and Reading Railroad Company?

Q. It was.

Q. Did your company, the Lehigh Coal and Navigation Company, have any other connection with the Philadelphia and Reading Railroad Company except by virtue of its shipment over your canal and the Lehigh and Susquehanna Railroad?

A. Do you mean physical connection of the railroad, or what kind of connection do you refer to?

Q. Business connection.

A. No.

Q. I notice that in the apportionment the apportionment to the Philadelphia and Reading Railroad includes the output of your product. Why is the output of your company included in the allotment to the Philadelphia and Reading Railroad rather than to the Lehigh Valley Railroad, with which it is more closely connected physically?

A. It is not connected physically with the Lehigh Valley Railroad at all.

26 Q. Geographically, I should have said?

A. It is not connected with it at all. It ships no coal over it.

Q. The only reason for connecting your company with the allotment of the Philadelphia and Reading Railroad Company is that the coal of your company was shipped over the canal and the Lehigh and Susquehanna Railroad which were controlled and operated by the Philadelphia and Reading Railroad Company? Isn't that so?

A. No, sir.

Q. What then was the reason?

A. The Lehigh Canal is not controlled and operated by the Philadelphia and Reading Railroad Company.

Q. What then was the reason for including your output in the allotment to the Philadelphia and Reading Railroad Company?

A. Simply for convenience, as I have stated before. There were seven interests represented there. It was easier to divide the seven interests than two hundred. Afterwards the parties interested in shipping over these seven roads met among themselves, so far as I know, and divided the tonnage among themselves.

Q. How does the Philadelphia and Reading Railroad Company in any sense represent your company and its output?

A. It did not.

Q. Then why was the allotment to the Philadelphia and Reading Railroad Company made to include the proportion of your coal?

A. Simply for convenience, as I have stated before.

Q. In what respect was that a matter of convenience, if your company was so disconnected?

A. Simply a matter of convenience, dealing with seven companies instead of two hundred.

Q. Why did you take your company rather than some other company which is geographically away from the Philadelphia and Reading Railroad Company's main lines?

A. Because our coal was shipped mainly over the lines of the Philadelphia and Reading Railroad Company.

27 Q. Then the question of the mode of shipment was the determining fact?

A. In each case the coal that was shipped over certain lines was shipped by itself.

By Mr. Cassidy:

Q. The allotment to the Philadelphia and Reading Railroad Company was 38.85. How was that subsequently divided among the various shippers, if at all? What was done with reference to that subject?

A. Upon conference with certain officers of the Reading Railroad Company, with whom the negotiation was made, they agreed that the interests shipping over what had been before the lease the Central Railroad lines should have 42½ per cent. of the total amount allotted to the Philadelphia and Reading. Then the operators, the individuals, and companies shipping over the Lehigh and Susquehanna Railroad met and divided the total among themselves. Each agreed to take such proportions of this tonnage.

Q. How much did the Lehigh Coal and Navigation Company take?

A. The Lehigh Coal and Navigation Company took, I think, about 22 per cent. of the 42 per cent.

Q. Leaving 20 per cent. or the other shippers over the Jersey Central system?

A. No, sir; we took 22 per cent. of the 42½ per cent., not 22 per cent. of the whole, but 22 per cent. of the 42½, which is about 9 per cent. of the whole. When we took these 42½ per cent. of the total Reading proportion that was considered as 100 per cent. of the Central Railroad. Of that 100 per cent. we took about 22. I don't know exactly how much.

Q. Whatever you took which was represented by 22, who took the balance?

A. The other producers, the Lehigh and Wilkesbarre Coal Company.

Q. About how much did they take?

A. I do not think I have the figures here.

Q. Is there any way by which I can get it?

A. Yes, sir.

28 Q. How?

A. I can produce it. I can give you the names of the corporations now.

Q. Please do so.

A. The Lehigh Coal and Navigation Company, Coxe Brothers & Co., the Upper Lehigh Company, J. Leisenring & Co., the Pond Creek Coal Company, the Lehigh and Wilkesbarre Coal Company, the Red Ash Coal Company, the West End Coal Company, the Everhart Coal Company, the Hanover Coal Company, and the Parrish Coal Company. There is but one other, I think, whose name I cannot give at this moment. The representatives of those companies and individual firms met and agreed to divide among themselves the tonnage for the year 1885.

Q. What tonnage?

A. Whatever tonnage might be shipped.

Q. Which had been allotted to them?

A. Yes, sir. On the basis of the two best months of the two previous years. Each company took the best month in 1883 and the best month in 1884. The average of them made a total, and the total to be shipped in 1885 was to be divided on that basis.

Q. Each one of the parties whom you have named got a proportion based upon that?

A. Yes, sir.

Q. The same thing was also done with the Reading Railroad Company's other product?

A. I am told so.

Q. How was that done?

A. Done in the same general way. I have no general knowledge of that. I had nothing to do with that.

Q. Is there a Lehigh and Schuylkill Coal Exchange which attends to these matters generally?

A. The same parties as are in the Schuylkill Exchange are not in the Lehigh. I do not know these things.

Q. You are speaking of your general business knowledge on the subject?

A. Yes, sir.

29 Q. There is a Lehigh and Schuylkill Coal Exchange, is there not?

A. I so understand. I know nothing about the position of it.

Q. I suppose, having a large knowledge of this business, you would know what their purpose was? That was my inquiry.

A. It so happens that I do not come into connection with it, and I do not know.

Q. You do not know whether there is such a corporation?

A. I do not know whether there is such a corporation.

Q. Or association?

A. I do not think there is an association. That is a matter of which I have no knowledge.

Q. In using the names of these corporations you have frequently and constantly said that the names were used for convenience. When you made these allotments to these corporations, especially these carrying corporations, they were made with the expectation that your plans would be carried out? They were not made for fun or for mere amusement?

A. No.

Q. They were made in good faith to be carried out?

A. Yes, sir.

Q. How were they to be carried out? What evidence had you beyond the mere matter of convenience that they had the power to, or would carry them out?

A. None whatever.

Q. So that in point of fact you made these allotments as a mere matter of convenience, having no knowledge of how they would be carried out, or whether they would be carried out at all?

A. Unquestionably. The fact was that they were not carried out.

Q. What was the opinion upon which you relied for them to carry out your plan? How did you expect them to do it?

A. We expected them to be carried out in the mutual interest of all parties concerned in producing.

30 Q. How was it to be done? How did they convince people of their mutual interest? Some people are dull enough not to see at first.

A. They did not require any argument.

Q. For example, a carrying company might tell a producer that they would not carry his coal if he did not do certain things. That would be a strong argument to get him to come into an arrangement?

A. Yes, sir.

Q. What was the consideration upon that subject, if any?

A. There was no consideration upon it.

Q. Either express or implied?

A. No, sir; unquestionably not, and, so far as I know, it had never been done nor attempted to be done.

Q. In point of fact, the companies named on page 3 of this bill, if they chose to exercise their power, would control the anthracite output of that region, would they not? I do not discuss whether they do or not, or whether they ought to or not, but the exercise of an arbitrary power by them would enable them to do that thing, would it not?

A. It certainly is true that these railroad companies could, if they chose, refuse, to move cars.

Q. I do not care to go into the particulars of how. I simply ask you, and you may make any explanation afterwards. Is it not true, in point of fact, that if they chose to exercise their powers they could control that?

A. I can only answer that, I think, in the way that I did, by saying that only by that method they could control it—by refusing to move cars. I do not know any other method.

Q. You do not know any other way than by the refusal to move cars?

A. I do not know any other way.

Q. Your committee recommended the appointment of a standing committee of five, and this report as made by you was adopted. Who were on that committee?

A. That was the end of that committee as far as I remember. There never has been any appointment made.

Q. They were not appointed?

31 A. No, sir. It was a subject I had entirely forgotten. Until I read these minutes this morning I had never thought of it.

Q. Who controlled the monthly allotments for 1885?

A. Nobody.

Q. How do you know they were carried out?

A. I know they were not.

Q. In what respect?

A. The aggregate tonnage under those monthly allotments was 30,000,000. The shipment 31,700,000 for the year.

Q. But while the total may have exceeded that, was not the percentage maintained?

A. No, sir.

Q. Who broke it?

A. The percentages were not very closely adhered to by anybody. The interest that shipped the most largely was the Pennsylvania Railroad. What were they allotted there? Eight per cent.?

Q. Yes.

A. They shipped, I think, about eleven. The Philadelphia and Reading, the Delaware, Lackawanna and Western and the Lehigh Valley all exceeded their allotment, as I recollect it.

Q. Then, whether under the orders of a committee, or under any orders, or moving of their own motion, this state of affairs continued until you did hold a meeting, or there was a meeting held?

A. There were two meetings.

Q. Those you have already accounted for?

A. No; those meetings have not been the subject of any questions. There were two meetings immediately subsequent.

Q. Then up to the time of holding the first of what we may call the subsequent meetings this state of affairs continued?

A. All the subsequent meetings were held in January. They were perfecting the details of this. There were never any meetings after that.

Q. January of what year?

A. 1885.

Q. Where was the meeting of January, 1885?

A. There was a meeting held on the 19th of January, at the office of the Pennsylvania Coal Company.

32 Q. Where? In New York?

A. New York.

Q. Read those minutes.

A. "The representatives of the anthracite interests, upon the call of the chairman, met January 19th, 1885, at the office of the president of the Pennsylvania Coal Company in New York. Present: Representing the Philadelphia and Reading Railroad Company, F. B. Gowen; Schuylkill individual producers, F. B. Gowen; Lehigh Valley Coal Company, E. P. Wilbur; Lehigh Valley individual producers, Ario Pardee; Delaware, Lackawanna and Western Railroad Company, S. Sloan; New York, Susquehanna and Western Railroad Company, F. A. Potts; Delaware and Hudson Canal Company, R. M. Olyphant; Pennsylvania Railroad Coal Companies, no representation; New York, Lake Erie and Western Railroad Company, John King, jr.; Lehigh and Wilkesbarre Coal Company, W. H. Tillinghast; Lehigh Coal and Navigation Company, J. S. Harris.

"The minutes of the meeting of December, 31st, 1884, were read and approved.

"A communication from Mr. I. J. Wistar, representing the Pennsylvania Railroad Company's coal companies, in response to the notification sent him by the secretary of the allotment to his interests, was read, together with an official copy of the action of the Pennsylvania Railroad Company in regard to the said allotment.

"On motion of Mr. F. B. Gowen, seconded by Mr. E. P. Wilbur, the following resolutions were adopted:

"*Resolved*, That Messrs. Wilbur, Harris, and Pardee be appointed a committee to prepare and present a communication to the Pennsylvania Railroad Company and to the anthracite companies controlled by that company, setting forth the true position of the interests represented at this meeting, presenting the arguments in favor of the action proposed at the last meeting and requesting a decided answer as to whether the anthracite coal producing interests of the Pennsylvania Railroad will unite with those we represent in the management of the trade for 1885, upon the basis of a 33 distributive quota of total output. And that upon receiving an answer to such communication, the committee call the meeting together again.

"*Resolved*, That in the meantime the output and distribution quotas for January, adopted at the last meeting, be continued in force.

"Mr. E. P. Wilbur stated that he understood the communication from the Pennsylvania Railroad Company to preclude the hope that any direct overture to that company would be successful, and if the resolution just adopted required that the committee communicate directly with that company he must decline to serve. He was, however, of opinion that there remained some hope of favorable action through the medium of their coal companies, and he was willing to call upon Mr. Wister if that would carry out the spirit of the resolution.

"On motion the meeting adjourned to meet at the same hour and place, January 26th, 1886. J. S. Harris, secretary."

5

Q. Let us have the minutes of the 26th of January.

A. "Pursuant to adjournment, the representatives of the anthracite interests met on the 26th of January, 1885, at the Pennsylvania Coal Company's New York office." 7 The same interests were represented by the same parties as at the last meeting. "The minutes of the meeting of January 19th, 1885, were read and approved.

"The committee appointed at the last meeting to interview the representative of the Pennsylvania Railroad Company's anthracite interests, reported through their chairman, Mr. E. P. Wilbur, that they had an interview with Mr. I. J. Wistar, vice-president of the Pennsylvania Railroad coal companies, and presented as forcibly as they could their views of the serious injury to all business interests that would result from the break-up that might follow if the Pennsylvania Railroad Company refused to join in the proposed action; and that they had met with a courteous but decided refusal to do more than to act in general harmony with the other interests as to the prices of coal.

"Upon motion of Mr. F. B. Gowen it was

34 "*Resolved*, That (excluding the interests of the Pennsylvania Railroad Company) we will carry out the plan originally adopted for the management of the trade, and that with the view of recovering the market for steam and manufacturing purposes from bituminous coals by the sale at reduced prices of a sufficient quantity of anthracite coal for the purpose, one million of tons be added to the assumed total output for the year 1885, provided that none of the said one million tons be added to the quotas of February, March, April, or May.

"On motion the meeting adjourned."

Q. When was the next meeting?

A. There were no other meetings.

Q. What was the meeting of March 22d, with Mr. Pierpont Morgan?

A. I understood you to have reference to the arrangement. There were no other meetings in reference to that arrangement.

Q. There were no other meetings as to that arrangement, and there was a meeting held in New York?

A. There was a meeting held on the 22d of March, if I remember the date correctly.

Q. The 22d of March, 1886?

A. Yes, sir.

Q. Where was that meeting held?

A. That meeting was held at the house of J. Pierrepont Morgan, 219 Madison avenue.

Q. At his private house, his dwelling?

A. At his dwelling.

Q. Who attended that meeting?

A. There were a number of persons present there whose names are perhaps not all recorded. Those who were there and those of whom I have the names were Mr. George deB. Keim, E. P. Wilbur——

Q. As you go along you had better say who they represent. Who presided at the meeting?

A. Mr. John King, jr.

Q. And who acted as secretary?

A. Mr. J. S. Harris.

Q. Read the minutes.

35 A. "A number of gentlemen, representatives of the anthracite interests, met by invitation of J. Pierrpont Morgan at his house, No. 219 Madison avenue, on Monday evening, March 22d, 1886. Mr. Morgan stated that the object in asking the gentlemen to assemble was that they might take counsel as to the possibility of preventing further injury to the interests they represented by some concerted action looking to an arrest of the demoralization of business which resulted from the existing want of harmony. The meeting organized by calling Mr. John King, jr., to the chair, and Mr. J. S. Harris was appointed secretary. Upon the call of the roll of the different interests, it was found that they were represented as follows: The Philadelphia and Reading interest by George deB. Keim; the Lehigh Valley interest by E. P. Wilbur; the Delaware, Lackawanna and Western interest by Samuel Sloan; the Delaware and Hudson interest by R. M. Olyphant; the Pennsylvania Railroad interest by George B. Roberts; the Pennsylvania coal interest by George A. Hoyt; the New York, Lake Erie and Western interest by John King, jr.; the New York, Susquehanna and Western interest by F. A. Potts; the Lehigh and Wilkesbarre coal interest by W. T. Tillinghast; the Lehigh Coal and Navigation interest by J. S. Harris.

"After a very general discussion of all the interests involved and the best result that it was desired to attain, it was moved by Mr. Sloan as follows:

"The representatives of the anthracite interests agree upon a pool of the anthracite to be mined between March 31st, 1886, and March 31st, 1887. The output for the year just named is, for the purposes of this agreement, estimated at 33,500,000 tons. The percentage of each interest is to be determined hereafter. Any party shipping over its percentage shall account to the pool for the amount by which it may be found on the 31st of March, 1887, to have exceeded its percentage at the rate of fifty cents

per ton. This motion, being seconded by Mr. Olyphant, was agreed to by a unanimous vote. On motion the meeting estimated that the market would require
36 for the month of April 2,000,000 tons of anthracite. On motion the meeting resolved that the price of coal should be immediately advanced twenty-five cents per ton f. o. b. at New York. On motion the meeting adjourned to meet at the office of the Pennsylvania Coal Company in New York on Monday, March 29th, 1886, at 12 o'clock noon.

Q. Explain as you go along what "f. o. b." means.

A. "F. o. b." means free on board; the price at which coal is put on board vessels. Perhaps it might be as well to state that that is a first draft of those minutes, and, as will be seen by the minutes of the next meeting, it was accepted. There were some changes, and there is a second draft, and it was accepted, so I read that with only the changes that have been made.

Q. This one which you have there was written at the time?

A. This one I have here was written at the time.

Q. The one which you have just read to us?

A. The one I have just read. That is, it is from notes written at the time, and in many cases, as there was no one there to take down what was actually said, it does not represent the words that were used.

Q. It represents what substantially took place?

A. According to my understanding. Shall I state the changes in the second draft?

Q. Yes. What is the second paper?

A. As I explained, what I have read was the draft of those minutes as I presented them at the next meeting. The minutes were ordered to be corrected. They were not adopted, but they were ordered to be corrected, and that appears here as the second draft.

Q. Do not your minutes of the second meeting show the correction?

A. Yes, sir. No, they show them in this way: That the first minutes were presented as shown in the first draft, and that the meeting ordered that they should be amended.

Q. Suppose you get the minutes of the second meeting. That will show there was some correction, then you can show what the correction was?

37 A. "Pursuant to adjournment, the representatives of the anthracite interests of the Pennsylvania Coal Company, on Monday, March 29th, 1886." Present—the same parties as before, representing the same interests.

Q. Read the minutes as they are.

A. "The meeting being called to order, it was found that the interests were represented by the following persons: The Philadelphia and Reading interest by George deB. Keim; the Lehigh Valley interest by E. P. Wilbur; the Delaware, Lackawanna and Western interest by Samuel Sloan; the Delaware and Hudson interest by R. M. Olyphant; the Pennsylvania Railroad interests by George B. Roberts; the Pennsylvania coal interest by George A. Hoyt; the New York, Lake Erie and Western interest by John King, jr.; the New York, Susquehanna and Western interest by F. A. Potts; the Lehigh and Wilkes-Barre coal interest by W. H. Tillinghast; the Lehigh Coal and Navigation interest by J. S. Harris; the Lehigh Valley operators by A. Pardee."

Q. The same persons as attended the preceding meeting?

A. With the addition of A. Pardee. "The minutes at the meeting of March 22d, 1886, were read, as shown in the paper marked 'first draft.' They were amended as they appear in the second draft, and it was then decided that they were read simply for information. A motion being offered that each interest accept the same percentage of the total as was allotted to it for 1885, the yeas and nays being called the interests voted as follow: The Philadelphia and Reading interest, yea; the Lehigh Valley interest, yea; the Delaware, Lackawanna and Western interest, yea; the Delaware and Hudson interest, yea; the Pennsylvania Railroad interest, nay; the Pennsylvania Coal Company's interest, yea; the New York, Lake Erie and Western, nay. The motion requiring a unanimous vote was declared lost. On motion it was agreed that the points raised by the Pennsylvania Railroad interests should be referred to the chairman to act and report at the next meeting. On motion, the meeting adjourned to meet at the office of the Pennsylvania Coal Company in New York on Monday, April 5th, 1886."

38 Q. Read the second draft.

A. The second draft, I believe, is in exactly the same language as the first, with the exception of the first resolution. It reads: "The following resolution was adopted. The representatives of the anthracite interests agree, each for his own interest, to accept a division of the anthracite to be mined between March 31st, 1886 and March 31st, 1887. The output for the year just named is for the purpose of this agreement estimated at 33,500,000 tons, the percentage of each interest to be determined hereafter. Any party shipping over its percentage shall pay for the amount by which it may be found on the 31st of March, 1887, to have exceeded its percentage at the rate of fifty cents a ton, which amount shall be divided among the interests which shall ship less than their percentage." The second does not contain these words which follow immediately after the corresponding words in the first draft: "This motion being seconded by Mr. Olyphant, was agreed to by a unanimous vote." Otherwise I believe the minutes are exactly alike.

Q. They had, however, been adopted by a unanimous vote at the first meeting?

A. They had been adopted by a unanimous vote at the first meeting.

Q. That brings you to the April meeting.

A. "Pursuant to adjournment the representatives of the anthracite interests met at the office of the Pennsylvania Coal Company, on Monday, April 5th, 1886, at 12 o'clock noon. The meeting being called to order, it was found that the interests were represented as follows:" they were exactly the same as at the last meeting. "The chairman who was appointed to confer with Messrs. Roberts, Keim, and Wilbur in regard to the points raised by the Pennsylvania Railroad interests, reported that he met the gentlemen named on Wednesday, March 31st, in Philadelphia, and found that ten and seventy-three one-hundredths of the total output for the year was claimed as the proper proportion for the Pennsylvania Railroad interests, and
39 that the Reading interest and the Lehigh Valley interest were both willing to make some concession from their percentages of 1885 as contributions towards the difference between the percentage allowed to the Pennylvania Railroad interests for 1885 and the percentage now claimed by them. On motion the report was adopted." That was the last meeting of those representatives.

Q. There is no meeting after that of April?

A. No, sir.

Q. After that did the allotment committee take charge?

A. The allotment committee met after that.

Q. You mean to say by that that they practically did whatever was to be done.

A. They did just what the minutes show.

Q. You are now going to give us the minutes of the allotment committee?

A. Yes, sir.

Q. You are a member of the allotment committee?

A. I was.

Q. You were secretary of the allotment committee?

A. Yes, sir.

Q. And as secretary you produce the minutes of the committee? These were minutes that were made at the time the respective meetings were held, or rather they were made from memoranda made by you at the time?

A. Yes, sir.

Q. Not added to in any way?

A. No, sir.

Q. Or not altered or dressed?

A. No, sir; they were in no case.

Q. And that applies also to all the minutes that you have read?

A. Yes, sir.

Q. They are substantially as taken at the time?

A. They are substantially as taken at the time; written out as an actual statement of what occurred, and read at the subsequent meetings. These are the original minutes produced at those meetings:

40 "The committee to whom was referred the question of dealing with the Pennsylvania Railroad individual operators and the allotment of the monthly tonnages met at the office of the Lehigh Coal and Navigation Company on Saturday, April 10th, 1886. Present, F. A. Potts, E. R. Holden, and J. S. Harris. Mr. Potts being named as chairman in the resolution, took that position, and Mr. Harris was elected secretary. The meeting was devoted principally to the investigation of the amount of coal shipped in 1885 over the Pennsylvania Railroad by individual operators. The secretary was directed to request each interest to estimate in what monthly proportions it would like to have its yearly allotment of tonnage divided. The committee adjourned to meet on Tuesday, April 13th, at 11 o'clock, at the office of Coxe Bros. & Co., New York."

"The Anthracite Allotment Committee met the individual operators of the Pennsylvania Railroad at the office of Coxe Bros. & Co., No. 1 Broadway, New York, on Tuesday, April 13th, at 11 a. m.

"Present: Messrs. Potts, Holden, and Harris, of the committee; Captain Richards, representing V. L. Scott & Co.; Mr. Slee, representing Langdon & Co.; Mr. Joseph Stickney, representing Stickney & Conyngham; and Mr. E. B. Ely, representing Coxe Bros. & Co.

"It was agreed that the Pennsylvania individual operators should not ship this year more than six per cent. in advance of the amount of anthracite shipped by them in 1885, and that they would do all in their power to bring the amount to be charged to the P. R. R. interests to the amount allotted to them, viz, 3,500,000 tons." The Allotment Committee met at the office of F. A. Potts, April 20th, 1886. These are all the minutes of the allotment committee.

Q. No meeting in May?

A. Yes, there was a meeting in May. There was a meeting each month, but there were no minutes.

Q. And you have the minutes of each month, I suppose?

A. No, sir; no minutes were kept.

Q. Have you no record at all of them?

A. No, sir.

41 Q. No paper at all?

A. None whatever. There was absolutely no minute made of it. Just discussion, and no regular minute made of it.

Q. Whatever you did in the month of May you gave notice of by circular or letter then, did you?

A. The ordinary course was this, and I believe it was generally followed: I notified Mr. John H. Jones, who was the accountant, and had been for a number of years the accountant or statistician of the anthracite trade, of the amount that the committee had estimated as the requirement of the next month, and he sent notices to the different interests of that estimate.

Q. He gave to each the subdivision that it was entitled to?

A. Yes, sir.

Q. Have you a copy of what he gave or said to anybody?

A. No, sir.

Q. Mr. Jones will give us that?

A. Mr. Jones probably has that. A copy did not come to me, because our interests were included with the Reading interests.

Q. Was there any way by which to draw any check, if it might be necessary, upon Mr. Jones?

A. No, sir. I knew that he was accurate.

Q. Will you tell us what you did for each month?

A. What allotment was made for each month?

Q. What allotment was made.

A. No; I can not here. I do not happen to have a copy of them here at all. The only other memorandum in regard to meetings of the allotment committee at all was this one.

Q. Your committee did fix for each month the allotment?

A. We each month estimated what the market required. The estimate was made in such a way and so stated.

Q. Still you did state the amount, no matter how you got at it, which you certified to Mr. Jones?

A. As the committee's estimate of the requirements of the market.

Q. How can we get at the amount fixed for each month?

42 A. Mr. Jones has those figures. I have no doubt that if he has not I can get them.

Q. Lest Mr. Jones does not give them to us I ask you to produce such evidence as you can on them at our next meeting, or, if not, at the next meeting after.

A. I can give those figures at any time. On the 18th of November, 1886, this was practically the action of the allotment committee. It is a memorandum in pencil, which is the only other, so far as I know, that ever was made. It was generally verbal discussion. "The committee estimate that the market will require in the month of December, 1886, 2,500,000 tons of coal. If, by the middle of December, the market seems to require more coal, the committee will at that time revise their estimates." That is on the 18th of November, 1886. Those are all the minutes that I have, or all that ever were made of the allotment committee.

Q. And that was the last meeting? Was there a meeting in December?

A. There was a meeting in December; yes, sir.

Q. Do you know what was done in December, or do you recollect?

A. I was not present at that meeting. They estimated that there would be required in January two and a half million tons more.

Q. For this coming month?

A. Yes; for the coming January.

Q. How many meetings were there, during the month of September, of the coal companies?

A. None.

Q. Or of the parties that you have been alluding to, and that I call the combination?

A. None.

Q. Was there an advance in price ordered?

A. By whom?

Q. By anybody.

A. No.

Q. There was no advance?

A. No, sir.

43 Q. No advance in coal during September?

A. I do not know positively, for those things were not matters which came close to me. I had nothing to do with that.

Q. You would know if there had been an advance?

A. I can not state whether there was any in September or not.

Q. Was there any in October?

A. The prices of coal have advanced in the last two or three months. I do not know when the advances were made.

Q. Was there any trouble with the Reading which is called in the trade a "stiffening" of Reading?

A. I do not know what you refer to by "stiffening" in Reading.

Q. Was there anything that occurred at all, so far as you can now search your memory or recollect, during the month of September, that led to an advance of coal in the trade anywhere?

A. No, there was not.

Q. Any compromise between factions in the Reading interest?

A. Not that I know of.

Q. Or any matter connected with the Reading business affairs?

A. I have not the slightest knowledge of anything that you are speaking of. I do not know anything about it at all.

Q. Was there an advance in coal during the last two months of fifty cents?

A. I do not really know.

Q. The last three months?

A. I do not know whether there was or not. I should not imagine there was.

Q. When I say "fifty cents" I am quite willing to take somewhere near that.

A. Those are matters that I did not charge my memory with. I do not really know. As regards the Lehigh Coal and Navigation Company's business, of which alone I know, I should say decidedly no.

44 Q. The subpœnas require certain other papers to be produced by you. What other papers have you there that you have produced?

A. I think the only other papers I have are correspondence relating to matters of the coal trade.

Q. Have you any papers there showing the circular fixing the prices?

A. No, sir.

Q. What is the correspondence? Between whom is it?

A. It is the correspondence between the representatives of the different interests and myself mainly and wholly, I believe, as secretary. Correspondence from month to month.

Q. Have you them marked in any way at all?

A. No, sir.

Q. What period does it cover?

A. Well, I should say from about December, 1884, to the present time.

Q. I would like to look at the correspondence upon this subject. (Same handed to Mr. Cassidy.) That covers all our call, all that you have?

A. Yes, sir. There is something I have not handed to you. In the press letter-book of the Lehigh Navigation Company there are a number of copies of those letters among a number of private letters on other subjects.

Q. Were there returns made by your meeting or your allotment committee to Mr. Jones by each company?

A. None other than I have spoken of, except that each month Mr. Jones procured the statistics of the trade.

Q. How did he procure those? Were blanks sent out that were returned to him?

A. That I do not know.

Q. You have not got them, of course?

A. No, sir.

Q. Or no copies of them?

A. They never came to me at all.

Adjourned until Monday, January 3d, 1887, at 11 o'clock a. m.

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45 PHILADELPHIA, *Monday, January 3d*, 1887, 11 a. m.

Hearing held in parlor 16, Continental Hotel.

Present: The examiners (Messrs. Chamberlin and Mitchell); **Messrs. Olmsted, Drinker, Morris, Dickson, and MacVeagh**, of counsel.

On account of the illness of Mr. Cassidy, the meeting was adjourned until Thursday, January 6th, 1887, at 11 o'clock a. m.

PHILADELPHIA, *Thursday, January 6th*, 1887, 11 a. m.

By reason of engagement of counsel for respondents, by agreement the meeting was postponed until Friday, January 7th, 1887, at 11 o'clock a. m.

PHILADELPHIA, *Friday, January 7th*, 1887, 11 a. m.

Hearing held in parlor C, Continental Hotel.

Present: The examiners (Messrs. Chamberlin and Mitchell); Messrs. Cassidy, Snodgrass, and Gendell, for the Commonwealth; Messrs. Dickson, Ashhurst, Wolverton, Kaercher, Gowen, Morris, Drinker, Scott, Olmsted, and Barnes, of counsel.

Direct-examination of JOSEPH S. HARRIS resumed.

By Mr. SNODGRASS:

Q. Who is Samuel Sloan, who is spoken of as one of the representatives of certain interests at the conferences you spoke of?

A. Do you mean what his official position is?

Q. Yes.

A. Samuel Sloan, among other positions, holds that of the president of the Delaware, Lackawanna and Western Railroad Company. Whether he is president of the Lackawanna Coal and Iron Company I do not know.

Q. Do you know whether he is officially connected with any producing interests outside of the Delaware, Lackawanna and Western Railroad Company?

46 A. No; I do not know. I imagine he is connected with the Lackawanna Coal and Iron Company.

Q. Who is Mr. Potts? What official position did he occupy?

A. Mr. Potts is the president of the New York, Susquehanna and Western Railroad, and, I think, president of the Pennsylvania Anthracite Coal Company. I know that he is connected with it, and I think he is the president.

Q. Do you know whether the New York, Susquehanna and Western Railroad Company is a coal producer in Pennsylvania?

A. I do not know.

Q. It is a foreign corporation, is it not—a corporation of the State of New York?

A. I do not know.

Q. What organization did you speak of as that which Mr. Potts was connected with?

A. The New York, Susquehanna and Western Railroad Company.

Q. What other organization?

A. The Pennsylvania Anthracite Coal Company.

Q. Where is that located.

A. Its lands are between Scranton and Pittston.

Q. In the Wilkesbarre region?

A. In what is known as the Lackawanna region.

Q. What official connection had Mr. Olyphant with any other organization except the New York, Lake Erie and Western?

A. Mr. Olyphant has no official connection with the New York, Lake Erie and Western. He is the president of the Delaware and Hudson Canal Company.

Q. Is he connected with any producing interests other than that?

A. Other than that I do not know. The Delaware and Hudson Canal Company is a large owner of coal lands. I speak now from rumor. Are you asking me to speak of my own knowledge?

47 Q. Yes; I want to get your own knowledge upon the subject. If you have no knowledge upon the subject you will say so.

A. I have none. I know nothing about this matter but rumor. All my testimony that has already been given is colored by that statement also. In regard to all these matters, I have no more knowledge than a great many people have.

Q. When Mr. Potts, for example, appeared at the conference, did he appear as a representative of the coal company you spoke of, or of the New York, Susquehanna and Western Railroad Company?

A. All of those people appeared, and are so named in the minutes, as the representatives of the coal interests allied with those companies. They are all so put down, I think, and were also understood to be representing the interests that were tributary to their roads.

Q. The representation included, I understood you to say the other day, the individual producers as well as the corporate producers?

A. Some of the individual producers.

Q. To what extent did it exclude the individual producers?

A. It did not exclude anybody.

Q. Do you mean to say that all of the individual producers in each district were included in the representation?

A. I imagine so.

Q. Do you or do you not know?

A. I do not know.

Q. Was it intended to include all the individual producers?

A. I have before explained that it was not a case where any credentials were asked for. The persons who were habitually dealt with in regard to these interests met there. Nobody came there and said, "I represent so and so." They were simply gentlemen who were known, and who were assumed to represent those interests because they appeared for them, but as to whom they represented there was no question asked. The question was not raised by anybody that I know of.

48 Q. If there were any individual producers excluded, they would not then be entitled to any benefits of this combination, if there was such, or whatever it might be?

A. I never heard such a question raised. There was no attempt ever to treat any individual producer as outside of any benefit?

Q. If there were any so excluded, would they be entitled to the same rates of shipment over the railroads by which their products found market?

A. I am utterly unable to answer that question. I never heard it discussed.

Q. Such a thing never was discussed in your meeting?

A. No, sir.

Q. You assumed in your conference that they did represent all?

A. We assumed in the conference that all the anthracite producers in the region were represented there.

Q. Were rates of transportation discussed in your meetings?

A. Never.

Q. Were rates of transportation discussed in the meetings of your committee?

A. Never.

Q. Was the division of tonnage discussed at that meeting?

A. According to these percentages?

Q. That is, the division of tonnage that was allotted to each interest.

A. Not after the divisions were made. There was no subject for discussion. When these different interests had accepted the different percentages, there was nothing more to discuss.

Q. When you say that the parties interested in shipping over the seven roads mentioned in the allotment met and divided the tonnage, what did you mean by that?

A. I think my testimony was that, so far as the shippers over the Lehigh and Susquehanna Railroad were concerned, which was at that time a part of the Reading system, they did meet. So far as the shippers over the Reading system proper were concerned, I have understood that they met, and I have understood that 49 the Lehigh Valley shippers met. How the others did I have no knowledge whatever.

Q. Can you state what proportion of the tonnage allotted to the Philadelphia and Reading system was produced by your corporation, the Lehigh Coal and Navigation Company?

A. About 22 per cent. Excuse me That is about its percentage of the Jersey Central system. I have the books here. Of what year are you speaking, 1885 or 1886?

Q. I speak of the year covered by this allotment, 1886. You can give it for the year 1885 if you have it there, and also for the year 1886. I want the amount produced and shipped by your company alone.

A. I understand you to be speaking of two different things. In one case you ask for percentages and in the other case you ask for amount.

Q. It is substantially the same thing, is it not?

A. If amount, I should have to know whether you want it for a month or a year.

Mr. SNODGRASS. You can give us the percentages first.

By Mr. GENDELL:

Q. This was a subdivision; that is to say, as I understood you, the Jersey Central got a portion of the Reading system and yourself a portion of the Jersey Central?

A. Yes, sir. The Lehigh and Susquehanna system got 42½ per cent., both in 1885 and 1886, of the allotment of the Reading.

By Mr. SNODGRASS:

Q. What do you include in the Lehigh and Susquehanna system?

A. All of what had been originally the Jersey Central Railroad system of roads. Up to 1883 the Central Railroad had been an independent organization. In 1883 it was leased by the Reading but the accounts of what had been the Central system were kept separate from the Reading system.

Q. What other organizations were interested in the shipment over the Reading system?

A. Does your question refer to individual interests?

Q. I want to get the subdivisions.

50 A. That is the subdivisions as between the Reading on one side and the old Central Railroad system on the other?

Q. Did those two organizations then represent the entire allotment to the Reading system?

A. Yes, sir. The old Central system got 42½ per cent. and the old Reading system got 57½ per cent., which made 100 per cent. of the Reading's allotment.

Q. What proportion of the allotment to the old Central system, as you call it, was assigned to individual operators?

A. I do not know that I can answer that question, for, in regard to some of these collieries, I do not know whether they were individual operators or corporate. I imagine, though, they were almost all corporations. I do not know whether they are corporations or limited partnerships. I imagine they all are one or the other.

Q. Can you give the proportion outside of what would be called the Lehigh and Susquehanna system?

A. The Lehigh and Susquehanna system included all of the Central Railroad proportion. I want to make myself clear. The Lehigh and Susquehanna is the coal railroad of the Central Railroad system, and all the coal belonging to the Central Railroad went over the Lehigh and Susquehanna system.

Q. What I want to get at, if I can, is what proportion of that allotment was assigned to operators other than the Lehigh Coal and Navigation Company?

A. My answer was substantially corrrct, that the Lehigh Coal and Navigation Company got about 22½ per cent. of that allotment.

By Mr. GENDELL:

Q. 22½ per cent. of the Lehigh and Susquehanna system, or of the Reading system?

A. Of the Lehigh and Susquehanna system.

Q. That is 22½ per cent. of 42½?

A. Yes, sir.

By Mr. SNODGRASS:

Q. Can you give me the amount of tonnage that represented for the year 1886?

51 A. No; I can not.

Q. Can you give it for the year 1885?

A. I can approximately I think. You want the amount approximately that the Lehigh Coal and Navigation Company, as I understand, was entitled to ship in the year 1885. Do I understand your question so?

Q. My question had reference to the amount independent of the Lehigh Coal and Navigation Company first, and then to get the amount of the Lehigh Coal and Navigation Company's shipments if possible. I want to divide them.

A. I understand you then to ask what amount the interests other than the Lehigh Coal and Navigation Company shipping over the Jersey Central were entitled under this allotment to ship in the year 1885?

Q. Yes.

A. (Referring to book.) The amount that the Lehigh Coal and Navigation Company was entitled to ship was about 1,000,000 tons.

Q. How much would that leave for other operators?

A. About 3,800,000.

Q. What then would be the amount which would represent the interest of the Philadelphia and Reading Railroad independent of that?

A. About 6,800,000 would be the amount that the Reading system, other than the Central Railroad system, would be entitled to ship in the year 1885.

Q. Those are the amounts which approximately represent the interests of each particular party that you have mentioned; that is the three different interests mentioned?

A. I do not understand in what sense you speak of the Reading system as a party. There were a number of parties there. The Lehigh Coal and Navigation Company in that year was entitled to ship about 1,000,000 tons. Other shippers over the New Jersey Central were entitled to ship about 3,800,000, and the shippers over the old Reading system were entitled to ship about 6,800,000 tons.

Q. Do you know what proportion of that which the old Reading system was entitled to ship represented the shipment of the Philadelphia and Reading Coal and Iron Company?

52 A. I do not know.

Q. Do you know how much they produced?

A. No, sir.

Q. Have they made returns to you or anybody else showing that?

A. They have made none to me.

Q. Have they made them to any one else?

A. I do not know. The reason why I do know about the shipments on the old New Jersey Central system is, because I, as one of the producers there, or representing one of the producers, necessarily became familiar with those figures. Not being a producer on the old Reading system, I know nothing about them.

Q. Were they not required to report to Mr. Jones the amount of their production?

A. That I do not know. I do not know at all whether Mr. Jones has the figures of the individual producers there or not.

Q. Is your company required to report to Mr. Jones the amount of your production?

A. No. They did not report.

Q. Who paid the expenses of the committee of which you were a part?

A. Nobody ever paid any expenses. There were no expenses.

Q. Were there no charges of salaries of any kind connected with the operation of this committee?

A. No, sir.

Q. Were there any expenses connected with what is called the combination?

A. No, sir.

Q. Or the Anthracite Association?

A. No, sir.

Q. Was Mr. Jones a salaried officer?

A. He was not a salaried officer of that combination. There were no salaried officers at all.

Q. Who paid him for his services as statistician?

A. I do not know.

53 Q. Was he paid?

A. That I do not know. We never paid him anything, or I never had anything to do with paying him anything.

By Mr. GENDELL:

Q. You were asked to produce the other side of the correspondence, a part of which you produced at our last meeting. Have you those letters with you?

A. I have.

Q. Will you please produce them?

(Letters produced.)

Q. These are full and accurate copies of letters sent by you?

A. They are; carefully made and compared.

Q. And these are the original letters received by you?

A. They are.

Q. They were sent by the representatives of the various corporations by whom they professed to be sent?

A. I suppose they were sent by the gentlemen who purported to represent them. I do not know who sent them. All I know is, I got the letters signed by those gentlemen. They speak for themselves. The letters that I submitted were original letters. The letters I gave to the attorney-general last meeting were the original letters.

(Mr. Gendell offered in evidence the entire correspondence as a whole, without undertaking to pick out that part which is good, or that part which is bad, or that part which is indifferent.)

The above offered letters marked

CROSS-EXAMINATION.

By Mr. DICKSON:

Q. In this bill it is alleged that by this combination or association you have limited and restrained the supply, production, and output of anthracite coal. In
54 point of fact, how does the output of the year 1886 compare with that of the previous years?

A. The production is larger than ever before.

Q. Can you give the output of 1885 and 1886?

A. (Referring to memorandum.) The shipment in the year 1885 was 31,623,530 tons; the shipment in the year 1886—I have the official statistics here to the end of November—I suppose to the end of the year will be about thirty-two millions and a quarter.

Q. What was the highest figure ever before reached?

A. (Referring to memorandum.) The highest figure ever before reached of shipments was in 1883, when the shipment was 31,793,027 tons.

Q. What had been the shipment of the previous year, 1882?

A. 29,120,096 tons.

Q. What in the year 1884?

A. In 1884 it was 30,718,293 tons.

Q. These figures would then indicate that the market was bare at the beginning of 1883 and overstocked at the end, would they not?

A. One of the elements by which we judge of the stock in the market is the amount on hand at the tide-water shipping points. That is only one of a number of data. There are stocking points, where coal is stocked, in the interior, about which there is no official information, and, of course, the stock that may be held in private yards nothing is known about. So far as we can get information from the situation of the tide-water shipping points, there were 562,116 tons on hand on the 31st of December, 1882, and on the 31st of December, 1883, there were 748,330 tons, being an increase of 186,214 tons during the year.

Q. In order to appreciate the full significance of the large output of 1886 it is necessary, is it not, to take in connection with that the large output of the previous year also, to see what the result is for the two consecutive years as well as the output of each year?

A. Yes, sir.

55 Q. So that, contrasting the output of those two years, of 1885 and 1886, would they not be very largely in excess of any previous two years, or any previous years in the history of the trade?

A. They would.

Q. The charge is further made in this bill that the prices of coal were artificially advanced to an unjust extent. In point of fact, how did the prices of the year 1886 compare with those of the previous years during the last quarter of a century?

A. The price of coal, so far as I can judge from the statistics of the Lehigh Coal and Navigation Company, which are the only accurate statistics that I have access to, was lower in 1886 than it has been in any previous year since the war. I should say lower than the average of any previous year, with the exception of 1879.

Q. While that is true as to the trade generally, are you not mistaken as to your own company?

A. I think not.

Q. That is true in regard to the trade generally, is it not?

A. My impression is it is true with regard to the trade generally.

Q. In the case of the price in 1879, was that a steady and uniform price, or at that time did prices largely fluctuate?

A. They fluctuated very largely. The price of prepared coal fell forty cents from January to May, and rose forty-four cents before the end of the year. Pea coal fell from January to March seventeen cents and rose seventeen cents to June, and remained about stationary until August, fell forty-three cents from August to September, rose twenty cents between September and November, and fell twenty cents between November and December.

Q. While these prices for 1885 and 1886 are lower than any since the war, with that exception, how do they compare with the actual cost of production?

A. So far as our own experience is concerned, the prices at which coal has been sold this year are nearer the actual cost of production than they have been for a great many years. In 1879, when the price of coal was about as low as it has been

56 this year, wages were much lower. I think wages were about 20 per cent. lower.

Q. That was the end of the great depression which followed the panic of 1873, was it not?

A. It was.

Q. When there was general distrust throughout the country and prices and wages were everywhere lower?

A. Yes, sir.

Q. The last year has been a year of great activity in business, and wages in all other branches of industry have been relatively high?

A. Yes, sir.

Q. What was the net result of the operations of the coal companies during the year 1886, taking the actual cost of mining the coal, exclusive of royalty and exclusive of interest on the cost of investment?

A. So far as I can judge, we made about fifteen cents a ton on the coal we produced in 1886. In that nothing is charged for royalty, nothing for depreciation of improvements.

Q. Or for interest?

A. Nor for interest.

Q. When you speak of the coal of the Lehigh Coal and Navigation Company, how does that coal compare with others in the prices which you are able to obtain for it?

A. The larger coals, the lump and broken, command an exceptionally high price. Our lump coal sells for more than other coal in the market, I believe; our broken for as much as any coal in the market; our egg and stove for higher prices than the majority of coals. The smaller sizes are not higher in price than the average. We further have the advantage of having a large market for our coal, so that we do not have to sacrifice our coal on account of accumulated stock, but generally obtain very good prices for it and have a very good demand for it.

Q. Owing to its superior hardness and value in the blast furnace there is a large demand for it in the line trade as well as at a competitive points?

57 A. We are not able to fill our demand for furnace coals. Those particular sizes we can not produce sufficient of.

Q. In your knowledge how much more will be paid for that coal in New England for foundry and steam purposes than for other coal?

A. In New England, where we come directly in competition with the coals of the Lackawanna region, our coal of the larger sizes sells habitually for from fifty to seventy-five cents a ton above theirs.

Q. How is it in regard to the cost of getting to market? What is your position geographically relatively to other coals?

A. Our coal lands are the nearest to the New York market of all the anthracite lands.

Q. The Lehigh Coal and Navigation Company is also the owner of a canal running from Mauch Chunk to the Delaware, and by the Delaware Division connects with Philadelphia, and by a connection by means of the Delaware and Raritan Canal with New York Bay?

A. Yes, sir.

Q. Under the contract which you had with the Reading Railroad Company and the Jersey Central Company, guaranteeing a minimum rental for the operation of the Lehigh and Susquehanna Railroad, was there any advantage to the Lehigh Coal and Navigation Company in sending its coal over the railroad rather than over the canal?

A. No, sir.

Q. Consequently it was the fact, was it not, that wherever it was to your advantage to do it you would naturally have an incentive to divert coal to the canal rather than to the railroad?

A. That is the fact.

Q. Owning that canal, as you did, were you able in view of the low rates of transportation which were given upon the railroad to send the coal over the canal to any advantage during the year 1886?

A. I think when our accounts for the year 1886 are made up they will show that our actual business over the canal has been less remunerative than for many

58 years, perhaps than ever before. We had absolutely to stop shipping coal to the New York markets because we could not get a cent for the canal transportations. Of course, we had to put coal there in competition with rail coal and we absolutely had, for a large amount of our coal, to go out of the New York market altogether.

Q. So that owning the canal as a line of transportation, and without regard at all to the interest upon its cost of construction, you were able to get such rates of transportation on the railroad that you could not afford to send it by the canal?

A. But to a limited extent. We were much limited in our shipment on the canal by the low rates on the railroad. All that we could earn on the canal by shipping was clear gain, because whether we shipped 100,000 or 500,000 tons our expenses were just the same; we had to have the same lock-tenders and men attending the canal. Every cent we made on the canal was clear gain. The low rate of transportation made it impossible to do canal business.

Q. Having then coal which commanded a higher price in market than any other coal, being nearer to tide-water than any other producer, and having a canal which cost you nothing to operate except in operating expenses, the best that you could do was to get fifteen cents a ton profit out of that coal without any profit on your canal and without any allowance for the interest on the cost of the investment?

A. We shall do very well if we get fifteen cents.

Q. In the examination of the Attorney-General you were asked a question in reference to a report which was made by you in the year 1880 in reference to the land of the Philadelphia and Reading Coal and Iron Company. In that report did you not estimate the value based upon the probable output at a probable profit of thirty cents a ton?

A. I did.

Q. And yet the best the Lehigh Coal and Navigation Company has been able to do is to make a profit of less than fifteen cents a ton?

A. I suppose that is what the accounts will show. Of course, the accounts are not closed for the year, but that is my estimate of what they will show.

59 Q. It is also alleged in this bill that the combination has discriminated against the consumers of coal residing or doing business within this Commonwealth. How have the prices to consumers within Pennsylvania compared with prices to people outside, during the year 1886, as compared with the previous years? Has the coal at competitive points ever so nearly kept up to the line trade as during the year 1886?

A. My intimate knowledge of the prices in this part of Pennsylvania does not extend back any considerable length of time. Certainly, so far as our own, the Lehigh Coal and Navigation Company's business is concerned, during the five years I have been connected with it as president, there has been a steady lowering of the price of coal in Philadelphia and the immediate neighborhood where we sell coal.

Q. And along the line trade in the Lehigh Valley and elsewhere?

A. Yes, sir.

Q. What is the capacity of the stocking grounds at tide-water and other shipping points in this country?

A. At the tide-water shipping points, as nearly as can be 1,000,000 tons.

Q. And all other points of stocking, about how much?

A. That I am not informed upon. I should guess not over a half million.

Q. That would include the shipping points of Buffalo, Chicago, Duluth, and other points on the lakes?

A. And also, I think, the stocking ground in the interior. It certainly would include all the stocking points on the lakes?

Q. What is the expense and loss from stocking coal and then picking it up again for shipment?

A. It is usually estimated at twenty-five cents a ton. I think that may perhaps be excessive. It certainly is twenty cents a ton. There is considerable breakage in dumping the coal, for it has usually to fall from ten to thirty feet, and when the stocking grounds become at all full it has to be wheeled at great expense from where it is dumped to a distance to allow other coal to be dumped, and when it is picked
60 up it has to be screened, in which there is a good deal of loss, and the coal, if it remains stocked for any considerable length of time becomes deteriorated, perhaps not in actual value, but in salability, because it is apt to become discolored. It loses its brightness.

Q. What length of time, if all the mines were running full, would it take to fill the stocking room of which you have knowledge throughout the country?

A. If all the coal sent from the mines was stocked, the stocking grounds would not hold two weeks' coal.

Q. Suppose that there was then no regulation of the trade at all, and that all producers worked away as hard as they could, what would be the result?

A. The result would be that immediately the railroads would begin to block with loaded cars; as our own road does when the ports become filled up, we have to use to a very considerable extent our second track for standing cars, which greatly increases the expense of handling our business, and increases the danger to the public by rounding coal trains, going off one track to another, running down trains on the up track, etc.

Q. Is it possible to induce the trade to take the coal in regular monthly allotments during the year?

A. Not at all.

Q. Please explain the difficulties in that respect, in the way of closing of navigation in the winter months, and the like.

A. I think perhaps as good an illustrative instance as I can give is that of the ordinary manufacturer in New England, a man who will take possibly 3,000 tons of coal a month. To attempt to stock coal in advance of his wants will require him probably to store 10,000 to 15,000 tons of coal in the fall, not being able to get it by water during the time which the ports are frozen. The cost of stocking that coal and picking it up again will be, at twenty cents a ton, not less than $3,000. As these manufacturers are usually situated in the cities, where ground is very valuable, and as it probably would require an acre of ground to stock 20,000 tons of coal at a reasonable
61 height, the cost of procuring the ground and the cost of putting up the trestling and machinery to hoist his coal, and the interest that he has to expend on the coal that he has bought several months before he will use it, is a very serious item. We have usually in managing the coal trade attempted to induce manufacturers to take their coal early in the year in order to keep our mines running steadily, because by running them steadily we can run them more cheaply.

For a number of years past the tendency has become more marked, which shows itself in all businesses, to make the producer carry the stock for the consumer who refuses to carry it. That has resulted in a large trade by rail to New England. All manufacturers who can take the coal that way take it as they want it. They order the coal that they expect to need a few days hence and are sure of getting it, and utterly refuse to make any arrangements to take their coal steadily. We have to produce the coal more and more each year as it is wanted. We can not look more than ten days ahead. If the market does not want it to-day, what it does not want must be stored until it does want it.

Q. Notwithstanding, however, the increased means of communication by rail to the interior points, there is, is there not, a variation in the amount which the market will take during the different months of the year?

A. Yes, sir; a very great difference.

Q. Can you give the figures which will illustrate the amount that you are able to ship in the months of the largest output and in those of the restricted output?

A. Taking the year 1882 to 1885, inclusive, the monthly demand for the three months, January to March inclusive, was 1,974,000 tons. Those are the months of the smallest demand. In the three months, September to November inclusive, which are the months of largest demand, the market has required in the same years an average of 3,110,000 tons, showing that in the three fall months the market requires per month 1,126,000 tons, or about 57 per cent. more than it does in the three winter months.

Q. In speaking then of the restriction of the production during certain sea-
62 sons of the year, is that a restriction which is made artificially by the action
of the producers, or a natural one, which is compelled by the action of the consumer?

A. It is absolutely compelled by the action of the consumer.

Q. Would it be possible for the companies during those dull months of the year to produce as much as during the full months of the year? I mean physically possible?

A. It would be physically impossible, because the stocking ground would become filled. It would become filled probably if we were to run a week beyond the time when we should wisely stop. After that the cars would become filled, and it would be impossible to mine any more coal at all. The stopping is absolutely necessary. In producing cotton goods or many other things you could store them, but coal is produced at so very small a margin of profit that it is impossible to store it.

Q. The manufacturer of steel rails can store his product without expense and without deterioration?

A. Without any deterioration and with but small expense. A manufacturer of steel rails is doing a very large business if he can produce 500 tons a day. The Lehigh Coal and Navigation Company, when it is running full, produces 5,000 tons a day, and it is not one of the largest producers.

Q. It soon ceases to be a question of expense, and becomes one of physical capacity?

A. It is a physical impossibility to go beyond a certain point.

Q. Was it with reference to this condition of the market that the allotment was made in the beginning of the year 1885 in anticipation of what the market would probably take?

A. It was.

Q. And in 1886 you had your monthly meetings at which, in addition to these tables, you had information of what the condition of the market was likely to be for the ensuing month, and in that way you made the allotment?

A. Yes, sir.

Q. The charge is made that there was a restriction of the output, and, impliedly, that the restriction was below the requirements of the market. Was that true in point
of fact?

63 A. Not at all. There has always been at all times in the last two years a
considerable quantity of coal in the market that we could not sell.

Q. Further than that, how did the system which you have pursued as to regulating your effective capacity of production to answer the requirement of the market correspond to the condition of your mines in former years when you ran from a period of scarcity to one of surplus, or *vice versa*? My question is, what was the effective capacity of your mines during all this time?

A. The effective capacity of the mines has been at all times in excess of the absolute demand of the market for any year. It has not been in excess of the demands of the market for special months. At times, though running full, and producing all the coal that we could, we had to draw on the accumulated stocks.

Q. But during the months when you were stopping from week to week, and producing no more than the market wanted, what was your condition then, during the dull months of the year, as to ability to produce?

A. We never restricted our ability to produce. We were ready to respond to any increased demand the market might make.

Q. Within a week you could have satisfied any requirement?

A. Yes, sir. I will say that in the practical working of the coal trade in the last two years, whenever any interest found that its special market did demand that increase, they did increase the amount of coal, whether it was included in this allotment or not; as, for instance, the Delaware, Lackawanna and Western Railroad Company, in March, I think, of 1885, finding a demand in the interior of New York State, kept on producing until the demand was supplied.

Q. How is it in regard to the cheapness of production? Is it possible to mine the coal and produce it at a minimum cost, except the trade is regulated in some intelligent manner, such as you have attempted to secure during the last two years?

A. It is exceedingly necessary—absolutely necessary—in order to produce coal
64 economically, that there shall be as regular as possible a working. The state
of things existing prior to 1885, which the arrangement of the last two years was

intended to obviate, was a periodical rushing of all the coal to the market we could, and a periodical stopping, which so greatly increased our cost of working that it was felt to be an absolutely needed economy—an economy that we must make, to get into a more intelligent and more regular system of work, and the result was shown, so far as the Lehigh Coal and Navigation Company was concerned, that we were able to produce coal more cheaply in 1885 than we did in 1884.

Q. So far as you know, is that true of other companies?

A. I think it must be true. We intelligently went into that system for the particular reason that it seemed absurd to be keeping a large number of collieries open, manned with men and with mules and with cars that we had no special use for, and we thought that wise business management required that we should make up our minds—which is precisely what we did in the management of the Lehigh Coal and Navigation Company—how many collieries we would require to supply the maximum demand, and collieries that were not needed I did not work.

Q. In that way you were able to shut up certain of your collieries and produce from a less number?

A. That was done in several cases. It was done in the Reading Company. I think in 1885 the Lehigh Coal and Navigation Company did not do that. They did in 1875 under similar circumstances. Every prudent manager would have made up his mind how many collieries he needed for his maximum output, and would have temporarily laid aside those that could stand most cheaply and that were least remunerative in working.

Q. Paying the wages that you did, would it have been possible to have produced the coal at the rate it has been sold for in 1886 if you had not had such an intelligent arrangement as you had?

A. No, sir; it would not. Our workmen had become very restive under the
65 plan of frequent stoppings, and we felt that to increase their earnings and to
make them more contented it was desirable to work more regularly. The result of our regulation was that whereas the rate of wages was ten per cent. lower in 1885 than it was in 1884 our men, *per capita*, made larger earnings on account of the more regular and steady system of working.

Q. The allegation then in the Commonwealth's bill that by ordering suspension of mines it has caused a large number of workingmen to remain idle a considerable part of the year, is not true, if by that it be meant that they were idle longer in consequence of this regulation than they would have been without it?

A. I think exactly the reverse is the truth; that the men were better employed than they were in previous years.

Q. How are the wages of the miners regulated in the anthracite coal regions?

A. In various ways. In the Lehigh region, in which the Lehigh Coal and Navigation Company's mines are situated, they are based on a percentage of the price of coal.

Q. That is, throughout the region they are paid a percentage on the selling price of coal?

A. That was in the Lehigh region and in the Schuylkill region, but not in the Wyoming region.

Q. What was the means of restriction in use in former days put in force by the workmen themselves?

A. Some years ago, when they thought they could manage the coal trade better than the owners, whenever the price of coal went to a point that did not pay them sufficient wages they struck, and laid the mines idle sometimes as much as six months.

Q. What was the result of those strikes?

A. The result, as far as the price of coal was concerned, was that coal would generally go quite low, necessitating the reduction of wages, then the strike, and then about the time of the resumption of the work sometimes it would have nearly doubled from the lowest point. I mean now the price of coal at the point of production. There
were fluctuations in the price and misery among the men and discontent and
66 constant warfare, whereas, under the system we are at present working, so far
as our own affairs are concerned, it is the testimony of everybody connected with the mines that the men, under great pressure from outside, have shown that they are practically very well contented. They think they are receiving as large a proportion of the remuneration that we get from selling the coal as can be afforded. They feel that they are partners in the business and are willing, to a very great degree, to share in its reverses as in its profits.

Q. Had you any intimations from any of them as to what would be done in case you did not attempt to control the trade yourself?

A. I was asked to meet a committee of our miners, I think in September or October of this year. They complained that their wages were not sufficient. I told them that they were all that we could possibly afford to pay; that the coal business was exceedingly unremunerative; that we were managing to the best of our ability; that we hoped for better prices, but could not guarantee them; the lower price in the coal region was only a part of the general reduction and depression of prices all over this

country and all over the world; that as they knew under the system that they had been working under for ten years, whenever the price of coal raised their wages would raise, and some of them said that they thought as we could not get the price of coal higher, as the price of coal had been dropping, it was time they took matters in their own hands. I told them I thought it was well for them to consider whether the system under which they had worked for ten years, which certainly had brought very large prosperty to them, as is shown by the comforts of their lives, was not better than a state of war, and whether on the whole they had not been very much more prosperous in the last ten years than they had been in the preceding years, including the years of strikes. After an hour and a half's talk they seemed to think it was wise
in them to continue to work, and they have continued to work ever since.
67 Since that time, probably about four months ago, their wages have gone up, on
account of the advance in the price of coal, about two per cent.

Q. Give us the average rate of wages a year paid to your miners.

A. I can not without some examination. Our miners, I think, in ordinary months will average about seventy dollars a month. Some miners will make over $100. I think the average per working day was not far from two dollars and fifty cents.

Q. The miner employs a helper who gets less?

A. In many cases. The helper gets about two dollars a day.

Mr. CASSIDY. I suppose, as Mr. Harris says some earn over $100, he will probably tell us how little some earn so as to give us an idea how he makes the average.

The WITNESS. Of course, there are cases among miners, as well as in all trades, where unskilled men will make low earnings. The rule we use, and it is a very common rule throughout the coal region, where the men working in a particular locality or particular gangway, for instance, where there may be a dozen of them working together, average for any considerable time less than two dollars and fifty cents, they call attention to the fact and it is investigated, and if, as very frequently found to be the case, there is rock in the gangway, or slate, or some reason that makes it more difficult to work, an allowance is made there until the difficulty is passed.

My own rule when I was in charge some years ago at the mines was this: I told the men that whenever there was reason to think that they were not getting an adequate return for their work, if they would notify their boss it would come to me. I told them to go on working, there was no necessity for stopping at all, and I would have the matter investigated. The first thing I directed the bosses' attention to was whether the men were doing honest work, or whether they were shirking, and we would some-
times keep up the investigation for two or three months. It was always under-
68 stood that if I found their complaint well-founded the advance in the price
should date back to the time at which they called attention to it. I suppose in
one case out of four I made an advance, in the others I declined to make an advance, said they were not entitled to it, and, without exception, during that time—the time I was there—the men were satisfied with whatever I decided.

By Mr. DICKSON:

Q. Was that in the Lehigh?

A. That was in the Lehigh.

Q. That is when you were acting as consulting engineer?

A. That was the time I was superintendent and engineer. That is the general way of working in the region.

Q. Can you, without too much trouble, give us a statement of the earnings, the two extremes, the lowest and highest, and the average, at our next meeting?

A. Yes, sir; I can. I do not think I can at the next meeting, but I can before long.

Mr. DICKSON. I suggest that Mr. Harris furnish, before the hearing closes, the highest and lowest wages paid, and the average per month for the year 1886.

Q. In the case of the Lehigh Coal and Navigation Company you have a beneficial association to which the company contributes, do you not?

A. Yes, sir.

Q. What is the amount of that fund now?

A. I should suppose it was about $20,000.

Q. It has been in operation about four or five years, has it not?

A. Yes, sir. Three years I think—three or four years.

Q. You were asked a question, whether or not it might be possible for the carrying companies to enforce an agreement to restrict by refusing cars. I think you answered it, but I will repeat the question. Did you ever know of any suggestion of that kind being made?

A. No, sir.

Q. You were in error a moment ago, I think you will see, if you will look at the
minutes on page 38 of your former testimony, in reference to the individual
69 operators on the Pennsylvania Railroad Company. You said a moment ago
these persons assumed to represent the particular individuals. Is that true?

A. My recollection of my answer is, I said the meeting supposed that they did.

Q. You state on page 38 in the case of the individual producers they disclaimed the right.

A. At the meeting in 1886 Mr. Roberts, for the Pennsylvania Railroad Company, did disclaim any representation of the individual operators and spoke only for the Pennsylvania Railroad Company's own collieries.

Q. And afterwards you were one of the committee to confer with the individual operators, I think?

A. I was.

Q. While the result of this regulation of the trade has been to enable you to produce more cheaply, and you have in point of fact sold more cheaply than ever before, is it possible, in your judgment as an expert in this business, to restore, or is it contemplated to restore, the high prices of the past?

A. I think it is utterly impossible. We have felt for years that there was a constantly varying consumption as between anthracite and bituminous, that whenever prices of anthracite became high, bituminous coal made inroads on our trade, as was done to a very great extent in the few years before 1885, and that when the prices were low we would regain our trade, as was done in the years 1885 and 1886. We have during those years regained a considerable amount of trade. A considerable part of the manufacturers that used bituminous before those years are now using anthracite on account of its greater cheapness.

Q. What new fields of bituminous coal have been brought into competition and made tributary to the New York and New England markets within the last two years?

A. The bituminous coal fields of southwest Virginia have come into the market for the first time in the last two years, and the bituminous coal fields of northwestern Pennsylvania have during that time begun to ship for the first time to New York.

70 Q. With what result to the companies in northwestern Pennsylvania that have engaged in the business?

A. So far as I know, and my knowledge comes from being a director in one of these companies, it has been ruinous. The companies have largely become bankrupt.

Q. Two of them have been in the hands of receivers, and are at the present time?

A. Two of them are in the hands of receivers at the present time.

Q. How does the competition of manufacturers in other parts of the country, where cheap fuel is obtained, affect your manufactures?

A. In the neighborhood of Pittsburgh, where bituminous coal is very cheap, it being mined at very much less cost than anthracite, and there being but little transportation to pay on it, and where in the last year or two natural gas has made still cheaper fuel, and in the South, where bituminous coal can be mined very cheaply, iron, which is one of the commodities into the making of which anthracite coal enters largely, is produced so largely that it has very seriously injured our trade, and it has been a great problem with all anthracite producers how we should accommodate ourselves to the circumstances, and we have had to reduce the price of coal on that account.

Q. Your consumers are constantly bringing these facts to your attention, and claiming and receiving consideration at your hands in consequence of the competition located in the South and West?

A. They are. We have felt it was very important to all our interests to preserve the industries in the anthracite region, not only on account of the trade that it gave us in iron and coal and other minerals, but on account of the large population that was located there. If we did not make concession in the price of coal we felt that the population would necessarily be driven away.

Q. Is it then your view that the tendency to lower prices is one to which you are endeavoring to accommodate yourselves in securing a reduced cost of production?

71 A. That has been the object of our action recently. We knew that low prices had come to stay, and we must prepare ourselves to produce more cheaply or to be driven out of the field.

Q. Is there any one who has anything like the same interest in a large production that the producer and transporter has?

A. No. Almost all the roads that are engaged in transporting anthracite coal know that that is the most considerable part of their business, and they can transport more cheaply if they have a large amount to transport, and as to the producers of coal it makes a very serious difference. At our own mines we can produce coal thirty or forty cents a ton cheaper if we are running full than if we are running to only half our capacity. That makes a constant and very strong tendency on the part of all producers to produce every ton that they can possibly market, and it brings about, of course, concessions in price wherever a concession in price will permit us to increase, rather than restrict, our production.

Q. What has been the tendency in the last few years in the way of manufacturing development in the Lehigh and Wyoming Valleys?

A. There has been a very considerable development, especially in the Wyoming Valley. The parties who were engaged in producing coal there have very largely called attention to the fact that there was a great amount of fuel there that was very fair fuel, but it could not be sold at distant points at prices that were remunerative, and they have made great efforts to have manufacturers come and locate in the region of these coal banks, where the cost of fuel is trifling. We all look to the development of that movement with great interest, and we hope by selling what is now largely a waste product we shall be able to recoup ourselves from the loss on account of the falling prices of coal.

Q. At what price are you now delivering this pea and dust for steam purposes, say, in Wilkesbarre?

72 A. I don't know what price coal is being sold in Wilkesbarre for. Much of that coal that is sent forward does not realize more than twenty-five cents a ton. I should suppose that a manufacturer would receive as an inducement to locate almost anywhere in the coal region a promise for years to come of that fuel at not over twenty-five cents a ton, which is probably a dollar less than the cost of production.

Q. Please begin at the beginning and tell us how much material you have to have quarried and blasted out of the mines in one of the Lehigh mines and have raised to the surface in order to put a ton of egg or stove coal in the car?

A. I understand your question to refer to the whole waste.

Q. The whole waste. My object is to show how much labor is involved in production, and how much has to be raised from the ground.

A. The estimate is often made in the Schuylkill and Lehigh regions. I should not say the Lehigh region, for that expression rather refers to the region about Hazleton, but in the Schuylkill region and our part of the Lehigh region, the estimate is often made that two tons of material are hoisted for every ton that goes to market. I think myself that estimate is rather excessive, particularly of late years, when we have marketed increased quantities of small coal. I should imagine that 150 tons are raised for every 100 tons that go to market. That waste product, much of which is mud, has to be very carefully separated by screening and washing and rescreening and by a mode of handling by mechanical separators and by boys and men picking the impurities out, and some money is spent in throwing it away and getting it onto the refuse heaps.

Q. You also throw away a large amount of rock in the mine—in the breasts themselves?

A. Yes, sir.

Q. What proportion of that?

A. That varies very greatly. Possibly 25 per cent. That is so very varying a quantity that it is hard to state it with accuracy. In some mines in the region there is very little of that, and in other mines there is a very great deal of it. Our 73 whole system of mining of late years, when we have got the business into more regular working, and when the coal fields have got very largely out of the hands of lessees and into the hands of owners of the lands, has been directed towards getting the largest possible product out of the mines themselves. I can best illustrate that perhaps by saying that in the last ten or twelve years the Lehigh Coal and Navigation Company is estimated to have produced 5,000,000 of tons of coal from lands that had been considered entirely worked out twenty or thirty years ago.

Q. At that time the mines were worked by contract?

A. Yes, sir; much of that has possibly been a little more expensive mining than it would be if we had mined fresh coal. It was known that these anthracite deposits would not last forever; that we could already see the time when the production from them would be diminishing, and we felt that it was a wise and desirable administration of that property to allow nothing to go to waste that could possibly be saved. The same is true with regard to the small coals. In the old days, when mines were worked more largely by lessees, in many cases they threw away this coal rather than pay royalty on it, and now we consider that if we can not get fifty cents a ton for this small coal, if we can get fifteen cents or ten cents or anything, it is better to do that than to throw it away. So we are attempting to economize the resources of that region and make the property last as long as we can. The same feeling in other cases has led to the removing of large amounts of earth from the surface, in some cases running as high as fifty feet of earth and rock from the surface, so that the coal can all be taken out cleanly. I think it is now generally estimated that the anthracite lands can be brought up to a larger production per annum than was thought possible five or ten years ago, when these small coals were not marketed, and when these worked out lands were supposed to be finally exhausted.

Q. I think in 1880 you estimated that the maximum capacity of production would not exceed 35,000,000 tons?

A. I think it was about 38,000,000 tons. Perhaps you are right. I think I have taken about 37,000,000 tons as the maximum.

74 Q. Writing in 1880, your estimate was that you would not reach 32,000,000 tons before the year 1890, was it not?

A. Yes, sir.

Q. What was your exact estimate then of the probable output of the mines in the year 1890?

A. 31,759,000 tons.

Q. While the present management has led to the economizing of coal, and to securing all that it is possible out of the ground, how is it with regard to the preparation of coal sent to market; how does that compare with the preparation in years of alternate glut and scarcity?

A. In years of alternate glut and scarcity anything was taken as coal, and during strikes, which characterized those years of alternate glut and scarcity, the most inferior and impure coal could be marketed at very high prices. Now we find an increasingly-fastidious market, and we have constantly to expend more care and money in preparing coal, and I should imagine that the testimony of anybody who had been handling coal for ten or fifteen years would be that there was on the whole a steadily increasing care in preparation, and the products sent to market in better condition.

Q. What is the cost of a first-class colliery in the Lehigh or Wyoming region with a capacity of from 150,000 to 200,000 tons a year?

A. We find as the result of a series of years that we must have an investment of about two dollars and fifty cents in a colliery for each ton of capacity. To get a colliery ready to produce 100,000 tons of coal a year, we would invest about $250,000. I suppose in the average of the whole anthracite region that price would be less, but I think that, taking the region through, it would probably cost about $200,000 to open and equip and get ready a colliery for producing 100,000 tons a year.

Q. Comparisons are sometimes instituted between the price of coal to-day and before the war. How does the cost of mining to-day compare with the old minings, where the drifts were put in above water-level?

75 A. The cost is enormously greater. In the older parts of the region I should suppose the mines on an average would be perhaps 400 feet deeper than they were before the war. At such depths there is a very great pressure, a pressure of all the superincumbent rock and loose strata, brought on the openings of mines requiring very heavy timber and constant replacing of timber, the bills for mine timber amounting, I should think, to ten, or fifteen, or twenty cents a ton for the coal produced.

Q. Taking that item alone, how do the supplies of mine timber now contrast with what you had before the war?

A. Before the war timber was very largely brought from the immediate vicinity of the collieries, hauled in by teams. Now our timber is very largely brought from beyond the Susquehanna. I think the timber that the Lehigh Coal and Navigation Company use is hauled on the average probably 100 miles by rail.

Q. How does the price per acre of timber land in 1860 compare with the price to-day?

A. There must be a very material increase, but as to what the figures are I do not know. The chief change, I imagine, is that there is no timber land, no land capable of producing large mine timber, in the immediate vicinity of the collieries. The timber lands west of the Susquehanna may not be much higher now or any higher than timber lands in the Schuylkill were before the war.

Q. Please explain the system of sinking shafts, the number of shafts required, the cost of machinery, the cost of pumping machinery and hoisting machinery, and the improved character of breakers and screens which are now insisted upon?

A. Before the war much of the coal was mined from what is technically known as above water-level. The drifts were driven into the ends of hills, and the roads by which the coal was brought out were driven at a slightly ascending grade, so that all the water drained out of the mines. There was no expense of raising water, as a rule. Now water has to be raised from depths varying from 300 to 1,000 feet, and in very large quantities. I know of one colliery where the pumping capacity is 2,000 gallons
per minute. The water there has to be raised 1,000 feet, and with that pump-
76 ing plant, which perhaps cost $75,000, the mines are often drowned. The large
taking of material from the interior of the mines has broken the surface very largely and water can not be prevented in the spring and fall and during the winter from getting into the mines in such great quantities that it very frequently causes cessation of mining, all the steam at the colliery being required to pump, and very often, as was particularly the case last winter, mines are laid idle for from a week to a month or three months or six months by the great surplus of water.

By Mr. CASSIDY:

Q. There, I suppose, the question of pumpage also enters into the question of cost?

A. Yes, sir.

Q. I want you, as you go along, to give us that. You have given us the cost of the timber, and as you go along give the others.

A. Of course I want to make my testimony as accurate as I can. That would be so constantly a varying quantity that I would rather at the end of this part of my testimony state the aggregate. No two mines are the same about those things. I stated how much timber has cost. I happened a few years ago to have had our

bills of timber footed up for the year, to see what they were costing. The opening of collieries before the war was inexpensive. I know of one colliery during the war that was opened and shipping remuneratively without a cent of cost; a very fine colliery. The coal produced in opening the colliery paid for the whole cost of it. A colliery then could be opened in six months and sometimes in less time. Now, on the Lehigh Company's property we have been sinking two shafts, each about one thousand feet deep. We have been three years at work sinking the shafts, and driving the tunnels, and opening the collieries, and we will spend another year before we can get coal enough to make the collieries pay. I suppose the total increase in the cost of coal at the breaker since the time before the war might roughly be stated at from fifty to seventy-five cents. The cost of maintaining the mines, doing the pumping,
and doing all the work that is not dependent directly upon the production of coal
77 of the Lehigh Company's property is over $30,000 a month, and I should think
$25,000 of that is cost that has been incurred from the mines being deeper and more expensive to open and to work, and in what I am stating I am taking no account whatever of the interest on the investment, but simply the actual cost on the monthly pay-roll.

Q. You do not say how much per ton that would cost?

A. That depends on the output. Taking our own collieries, where we are producing 50,000 tons a month, that would be about sixty cents a ton on the cost of the coal. Where we are producing 100,000 tons a month, it would be thirty cents a ton on the cost of the coal. Another item which I have not touched on, I think, is wages, which are probably from thirty-three to fifty per cent. higher than they were before the war. They enter very largely into the cost. They are the principal item in the cost of the production of coal. We estimated some years ago that our wages were, I think, six-sevenths. I think the amount paid in wages was about six-sevenths of the whole cost of producing coal. I think I can refer to that. Yes, our wages padi were almost exactly six-sevenths of the whole cost of producing the coal.

By Mr. DICKSON:

Q. For what year?

A. That is a general statement. It was for the year 1877. It is an old estimate, but it does not very much differ from year to year.

Q. In order to start a colliery, then, with a capacity of 100,000 tons a year, you would have to spend about $250,000?

A. Yes, sir; that is entirely independent of the cost of the land.

Q. And it would require from two to three years to get it in operation?

A. Yes, sir.

Q. What amount of territory can such a colliery exhaust?

A. Since collieries have become more costly to open there has been a constant tendency to allot to each of them a larger territory, and we would now set aside for a large colliery perhaps 200 acres of land.

Q. For a colliery with a capacity of 100,000 tons?

78 A. Well, our collieries have mostly a larger capacity.

Q. I want to take the actual figures, such as you actually would have in practice.

A colliery to which you would give 200 acres would cost $50,000 more, would it not? That would have a capacity of 150,000 tons a year?

A. Yes, sir. A colliery with a capacity of 150,000 tons, which would be such a colliery as we would open now, would cost, on the same basis, about $375,000, and would perhaps have allotted to it 200 acres of land.

Q. How long would it take it to exhaust 200 acres of land?

A. You are referring now, I take it, to our lands, are you not, because the thickness of coal varies very greatly?

Q. Yes.

A. From thirty to forty years.

Q. At the expiration of that time of what value would the plant which had cost you $375,000 be?

A. From $25,000 to $50,000 as a maximum.

Q. The shaft would be a hole in the ground?

A. Yes, sir. There would be no value left there, except the machinery.

Q. In order, then, to get at the real cost to the unfortunate operator, it would be necessary, would it not, to charge off a sinking fund every year, so as to get back that $325,000?

A. We have found it necessary in our own accounting, in order to prevent the amount charged against improvements from becoming greater than two dollars and fifty cents a ton to charge off every year for depreciation of improvements an amount varying from $75,000 to $90,000. By that amount we consider that the improvements are actually becoming deteriorated each year.

Q. Your machinery and breaker, of course, being equally worthless?

A. Yes, sir. As a rule an old breaker will not more than pay to take down. The machinery becomes so very much rusted by the acid in the mine and water that it becomes absolutely worthless. Much of it is absolutely worthless for any purpose. The timber decays very rapidly in the same way.

79 Q. Can you give the elements of the cost of mining coal and say how much is paid for labor, and how much in the nature of fixed charges, &c.? What did your coal cost in the cars for the years 1885 and 1886?

A. That I don't happen to have. I can give it possibly. As nearly as I remember our coal in 1885 cost about one dollar and thirty-five cents in the cars.

By Mr. CASSIDY:

Q. By that do you mean the mere labor in the mine?

A. Yes, sir.

Q. One dollar and thirty-five cents per ton?

A. Yes, sir; and the supply of timber necessary.

Q. I thought Mr. Dickson's question had reference to the items that made up that?

A. No. That is the aggregate.

By Mr. DICKSON:

Q. What does that one dollar and thirty-five cents consist of; how is it made up?

A. I do not know to what items of cost you are referring.

Q. Everything. I suppose you paid six-sevenths of that to the workmen, the miners, did you not?

A. About six-sevenths; yes, sir. Dividing it on that line, I should imagine that as between labor and supplies about one dollar and fifteen cents was the cost of what was paid for labor of all kinds and about twenty cents for supplies.

By Mr. CASSIDY:

Q. Do you say that one dollar and fifteen cents was for labor in the mine?

A. Yes, sir.

Q. I do not mean external labor. I mean labor in the mine.

A. No, I mean all labor; outside labor and mine labor.

By Mr. DICKSON:

Q. What proportion of that would be paid to the miner, and how much would be the cost of putting the coal through the breaker?

A. I should suppose the labor of getting the coal to the top of the shaft, what
80 we would call the inside cost of all kinds, would be about eighty-five cents and
the outside cost about thirty cents.

Q. And the remainder of the cost represents the supplies, &c.?

A. Timber and oil and sheet-iron and lumber, and everything of that sort.

Q. How do the rates of transportation compare with those of former years?

A. How far back?

By Mr. CASSIDY:

Q. Would the eighty-five cents, the thirty cents, and the twenty cents combine everything making up the cost until the car is absolutely ready to start?

Mr. DICKSON. Yes.

The WITNESS. The cost of pumping comes into the inside cost.

By Mr. CASSIDY:

Q. That is the eighty-five cents, then?

A. That is the eighty-five cents; so much as has been done inside. The pumping itself and repairs of the pump and the packing of the pump belong to the inside cost, and the producing of steam, which is done outside, belongs to the outside cost. The steam is produced outside and sent down to the mine, where the pumping is done.

Q. I only want to know whether those three amounts cover all that is chargeable to the account of labor of production?

A. They cover everything. It is understood that I am speaking of approximate figures, and not actual figures.

By Mr. DICKSON:

Q. Are you referring to a month when you were running full?

A. This is the average for the year 1885.

Q. In that estimate of one dollar and thirty-five cents do you make any allowance for depreciation?

A. None.

Q. You make no allowance for interest on capital?

81 A. None.

Q. And no allowance for coal in the ground?

A. None. This estimate is made up from the actual cost from our pay-rolls and our monthly bills.

Q. These figures which you have given, I understand, are the actual results reached in your mines for what year?

A. The year 1885.

By Mr. CASSIDY:

Q. Does it include the support of animals under ground: mules, for example?

A. Yes, sir.

By Mr. DICKSON:

Q. Does that cover the new mules, and so on?

A. No; it does not. We do not charge our mules in that way. That comes in the settlement of the accounts at the end of the year. The mules we buy are charged up to equipment, and they come into the cost at the end of the year as depreciation in equipment. If we had $50,000 worth of mules during the year, and bought $10,000 worth, making $60,000, and found that our mules were only worth $40,000 at the end of the year, we would charge $20,000 to depreciation of equipment, and that would go into the cost of coal. This is a statement made up from the monthly pay-roll.

By Mr. CASSIDY:

Q. Does this one dollar and thirty-five cents include other items of supplies?

A. Yes, sir; but it would not include such items as mine cars, which are charged as equipment and not charged to the balance as depreciation of equipment at the end of the year. This is simply a monthly running current-account, and if I had one of our annual reports here I could give what it actually footed up at the end of the year.

Mr. DICKSON. We will produce an annual report as part of Mr. Harris's testimony.

By Mr. DICKSON:

Q. I began to ask you a moment ago about how the rates of transportation compared with those of former years?

82 A. The rates of transportation have fallen steadily for the last four years, and I think were lower on the average in the year 1886 than they have been in any year since 1879.

Q. Were they permanently lower in 1879, and for more than one year?

A. No, they rose considerably in 1880. They were high in 1878, low in 1879, high in 1880, and I think then, as far as my recollection serves, that they slowly advanced to 1883, which, on the average, was the highest. Since then they have been steadily declining.

Q. How was it on the canal?

A. The rates on the canal necessarily follow about the same rule. Of course they are necessarily governed by the railroad rates. The rates on the canal are generally a little lower than on the railroad, but follow the rail rates up and down.

Q. Was not the Lehigh Canal at one time very profitable?

A. Yes, sir. To go back twenty years, the rates of transportation have very materially fallen. The Lehigh Canal netted a very large amount of money fifteen to twenty years ago from transportation.

Q. Do you recollect the rate at which the New Jersey Central agreed to operate it?

A. What they agreed to pay for it?

Q. Yes.

A. It agreed to pay $200,000 a year for it.

Q. And that contract it threw up in the year 1877?

A. That contract it threw up in the year 1877.

Q. At the time that contract was made it was not regarded as an excessive rate?

A. I suppose not. It must have been satisfactory to the contracting parties.

Q. And instead of a revenue of $200,000 a year in 1876, you get $25,000 in the year 1886?

A. I estimate that we shall get $25,000 from transportation.

Q. Instead of $200,000 in the year 1876?

A. Yes, sir.

Q. Of course there have been corresponding or greater reductions in the transportation of bituminous coal, and those reductions have been rendered possible by the introduction of the steel rail and the 20 and 30 ton car, have they not?

83 A. Yes, sir; they have very considerably decreased the cost of doing the work.

Q. Do those causes operate to the same extent on a comparatively short haul, such as you have from the anthracite fields to tide-water, as they would upon the longer haul from the bituminous coal fields?

A. No. There is a larger part of the time that the equipment is unemployed in the shorter haul than in the longer, and much bituminous coal is shipped in cars which have a back loading. Anthracite is shipped almost wholly in cars that have no back loading, having to be taken back empty.

Q. How about the constant expense of loading and unloading.

A. Well, the loading and unloading are the same, no matter what the length of the haul is.

Q. Do they not bear a large proportion to the actual cost of transportation?

A. Yes, sir; the cost of unloading coal, the cost for wharfage and shipping, amounts to twenty or twenty-five cents a ton.

Q. Do you recollect the length of time that it takes a train to go from the Wyoming mines to tide-water and back?

A. In months of activity the cars go to the mines and return about four times in a month on the average. That is, in times of activity, when the equipment is being used to the best advantage, the cars go to the shipping ports and return about four times in a month.

By Mr. GENDELL:

Q. On what system?

A. On the Central Railroad.

Q. From your collieries or from the Wyoming region?

A. From the whole system. Well, possibly from our collieries it would be six days, and from the Wyoming eight days. It would average about a week.

By Mr. DICKSON:

Q. Would the cost of transportation be materially enhanced if you had to haul a hundred miles farther?

A. Not in the same proportion. A hundred miles farther would mean added to that seven days about twelve hours.

84 Q. The trains running down-hill from Penobscot to Phillipsburg run about twelve miles an hour?

A. Average about twelve miles an hour.

By Mr. GENDELL:

Q. One hundred miles each way?

A. Yes, sir.

Q. Does this running of the trains backward and forwards mean a specific train with an engine, or does it mean the cars going to the colliery, including the delay at the colliery and the standing at the yards and place of destination?

A. Certainly it includes all the stoppages. I find that the average service of the coal-car equipment on the Central Railroad of New Jersey, backwards and forwards from the mines, is about four times a month.

Q. That does not include the engine?

A. No, sir.

Q. That is only the car?

A. That is only the car.

By Mr. DICKSON:

Q. Looking to the interests of the citizens of Pennsylvania who are consumers of anthracite coal, in your judgment have they been injured or benefited by the attempt to regulate the trade in an intelligent manner?

A. I think they have been very materially benefited. The regulation of trade in the last two years certainly has enabled us to produce coal very considerably cheaper. and the consumer has got all of that benefit and more too. We make less with the better regulation of the trade than we did before. That is, we retain a less part of the profit ourselves.

Q. And how is it as compared with the consumer outside of the State? In case of unregulated production and the glut at the point of competition who is it that gets the benefit of the sacrifice?

A. Where there was a glut in the market and a quantity of coal had to be forced on the market, the consumer in what we call out line market, a market within a hundred miles of the mines, as a rule, has only one means of getting his coal.
85 To parties, therefore, within a hundred miles of the mines, as a rule, there would be no change made in the price of coal. The surplus would all be sent to the competitive points, New York and such other points, and be sold for what it would bring, because the price would be lowered, and ot that lowered price the distant consumer would get the advantage.

Q. The result would then be that the people of New York and New England would get the benefit of the people of Pennsylvania being compelled to produce coal for less than the cost of production?

A. Undoubtedly.

Q. Have you prepared an affidavit in answer to the allegations of the Commonwealth's bill, in which you have stated formally and carefully your views in reference to this subject?

A. I have.

Q. Will you please read that, if it does give such a correct statement, as a part of your testimony?

(Objected to.)

Q. Can you give us the amounts of coal on hand at the shipping points from the years 1883, 1884, 1885, and 1886?

A. In 1883 the stock of coal at the shipping points varied from 502,159 tons to 748,330 tons. In 1884 it varied from 588,229 tons to 885,715 tons. In 1885 it ranged from 420,564 tons to 988,782 tons, and in 1886 from 393,202 tons to 996,946 tons. So that the average stock unsold has not diminished in the last two years.

Q. In view of the cost of stocking and of the waste by depreciation why did the companies keep stocking room at all?

A. The coal must be produced in certain sizes. When the smaller sizes are in demand they can not be produced, as a rule, without the larger sizes also, and the larger sizes must be stocked until there is sale for them. At different times of the year almost every size of coal is alternately ready of sale and slow of sale, so that at one time the market will not take the coal that is produced, and at other times it insists on having more than is produced. At one time it needs to be stocked and at another
time there must be stock to draw from. That company manages its sales best
86 which has the least coal stocked, and it is the constant effort to keep from stocking
coal, but it is impossible in the management of the trade to avoid stocking.

Q. It is then to provide a place for the surplus coal to enable you to keep running?

A. Yes, sir.

Q. Reference has been made from time to time as to the system in force before the war. What was the result as far as private operating was concerned in the old days?

A. The history of the coal trade in the old days was that on an average, and I speak now of the Schuylkill region, with which I was more familiar at that time, the whole crop of operators were cleaned out about once in ten years by bankruptcy. It was usually said in the Schuylkill region that only one man had ever through the course of years succeeded in mining coal; that is, had been steadily successful. That was a man named Johns, who lived at St. Clair. Others sold their collieries to advantage, and in that way retired with moderate fortunes, but of the men who remained steadily in mining he was said to have been the only successful instance. A great number of them went into bankruptcy.

Mr. CASSIDY. That must be a remarkable business, considering the losses that are suffered in it.

The WITNESS. In answer to that I will say it had the fascination that all mining has, people being willing to undergo ruin, which was not only the ruin of themselves but also of their creditors, for the sake of the possibly very large profits. Large profits during the war demoralized the trade for many years afterwards. People were always looking for those large profits and expecting a time would come again when the profits would be large.

By Mr. GOWEN:

Q. The minutes of the various meetings which have been already given in evidence show that at meetings which were held in 1884 and 1885 Mr. F. B. Gowen was present as representing the Philadelphia and Reading interests and the Schuylkill individual operators?

A. Yes; at the meetings in December, 1884.

87 Q. You have already stated, I think, that it was the understanding of the meeting that those gentlemen represented the producing interests shipping over the various roads which they were accredited to at the time?

A. Yes, sir.

Q. Do you know whether Mr. Gowen was at that time an officer either of the Reading Railroad Company or of the Reading Coal and Iron Company?

A. I suppose he was not.

Q. You had no knowledge that he was of either company?

A. No.

Q. In 1886 Mr. Keim attended as representing the Philadelphia and Reading Railroad interests?

A. Yes, sir.

Q. Do you know whether at that time he was an officer of either of those companies, or do you not?

A. I can not say that I do.

Q. You do not know that he was?

A. I do not know that he was; no.

By Mr. GENDELL:

Q. He was a receiver of the road, was he?

A. He was a receiver of the road; yes, sir. Whether at that time he was president, or at what time his presidency ceased, I do not know. I do not recollect exactly.

Mr. GOWEN. In point of fact, Mr. Keim was not president in 1886.

By Mr. GENDELL:

Q. Mr. Dickson asked you a question in the early part of this examination which either stated or assumed that the only expense in connection with your canal is the operating expense. In point of fact there is a very considerable expense for maintenance and repair, is there not?

A. Unquestionably. But observe that the question and answer at that time, or at least my answer, brought out or intended to bring out this fact: That the movement of coal in many cases did not pay the operating expenses, not counting maintenance at all.

By Mr. DICKSON:

88 Q. And the canal itself was kept as a highway and the expense and maintenance of operation of the canal itself would not have been increased whether you had five times as many boats as you did have?

A. No, sir. To put it in another way that will make it a little more plain, we find that in attempting to ship coal from New York, the amount we had to pay boatmen and the amount we had to pay the Delaware and Raritan Canal Co. were more than we could get for transporting the coal, therefore we quit. A good deal of that coal we made two cents on, after paying boatmen, paying no lock-tenders or maintenance of any kind, but simply after paying boatmen, and paying the Delaware and Raritan Canal, and a considerable amount we found we could not ship at all, and so we quit. As long as we were making anything we were willing to transport it, but when it cost us to pay tolls on the Delaware and Raritan Canal and the boatmen more money than we received for it, we stopped.

By Mr. GENDELL:

Q. Your canal stops at the Delaware River?

A. Our system of canals, the Lehigh Canal and the Delaware Division and the canals under our control end at Bristol on the Delaware River.

Q. You have no canal to New York or to the New York waters?

A. No, sir.

Q. You have no interest in the Delaware and Raritan Canal?

A. None whatever.

Q. Do not many of the boatmen own or hire their own boats?

A. Yes, sir.

Q. And pay toll for the privilege of passing on the canal?

A. Yes, sir. Let me think for a moment. I think that is not the case in the coal shipments. I think in the coal shipments we pay them a certain price for transporting that coal, and that covers the interest on their plant, including their horses and lines and their own wages. I do not think in that case any tolls are paid.

89 Q. The canal is very little used, except in the transportation of coal?

A. Very much used, in the transportation of pig-iron and direct supplies. I do not remember exactly. I should imagine that one-fifth possibly of the tonnage was of things other than coal.

Q. When I saw it there was very little?

A. I can explain that by saying that the ascending trade is largely on the lower part of the river; it is pig-iron from furnaces on the lower part of the river and merchandise, etc.

Q. There was also something said with regard to the reason for not transporting more coal through the canal. In point of fact navigation, if that is a proper word to use with respect to a canal, is often stopped there by reason of the condition of the canal, is it not?

A. Not very often.

Q. Several months of the year the water is run out altogether, is it not?

A. For about four months there is no navigation at all—during the winter months.

Q. During the greater part of the summer of 1885 navigation was stopped by reason of an injury to the canal, was it not?

A. No, sir.

Q. How long was it stopped?

A. I do not think it was stopped at all. There was an injury on the Delaware division canal, but that simply necessitated our passing boats out of the canal at another point; New Hope.

Q. Is it not a fact that no boats went up and down for a considerable length of time during that summer?

A. I do not think so.

Q. Are you sure about that?

A. No, I am not sure, but I think it is so, however.

Q. The question was presented to me during that summer, during about three weeks only when I saw it.

A. Perhaps you are right. Perhaps I was thinking of 1884. There was a
90 break in 1884. I speak under correction as to the year. There was a break
in 1884, in which the circumstances were as I say. The break was below New Hope. I guess you are right; in 1885 there was a break above New Hope, and it did stop navigation. I was thinking of 1884. I think it is likely you are right; navigation was stopped for about the time you speak of.

Q. I think you stated that there was no expense attending the organization of the anthracite combination?

A. I did.

Q. And that Mr. Jones received no salary?

A. No, sir; I did not state that he received no salary.

Q. No salary that you knew of?

A. No, sir.

Q. Is you recollection refreshed by the letters of June 29th, 1885, and several letters of July 1st? [Same shown witness.]

A. My recollection is not changed. I do not know whether he was paid or not.

Q. Refer to your letter of July 1st.

A. The Delaware, Lackawanna and Western Company and the Delaware and Hudson Company did pay Mr. Jones at that time.

Q. And there was a charge made, which was apportioned, whether paid or not, among the various parties?

A. Among the various parties; yes, sir. When I answered that question I did not know whether Mr. Jones had ever been paid for his services or not.

Q. But there was a charge made which was apportioned?

A. There was a charge made. Evidently from this account on one occasion there were two parties that paid. What was in my mind at the time was that one of the parties declined to pay, but what has ever been done about it since I do not know.

Q. Which party was that?

A. The Pennsylvania Railroad Company declined to pay.

Q. Have you any knowledge of any others that declined?

A. No. The matter never went through my hands after that. Whether Mr. Jones was paid or not I am absolutely without knowledge.

91 Q. Was there any other necessary expense that you know of?
A. No, there were no other expenses.

Q. This is the only assessment at that time?

A. Do you mean in regard to Mr. Jones' expenses or other expenses?

Q. Either or both.

A. As you see, my recollection has not covered that. I did not remember that correspondence, but so far as I know there were no other expenses during the time. The statement was made that Mr. Jones for many years had been keeping these statistics at the expense of the Reading Railroad Company. He had been the statistician of the coal trade at their sole expense; they paid him for whatever work was done, and that time it was paid him simply in respect to the coal trade, but whether any payments were made except those two I do not know. It was a matter that Mr. Jones dealt with himself, and I had nothing to do with it. For that reason it passed out of my memory.

By Mr. SNODGRASS:

Q. Why were these allotments of expense made to the railroad companies, which appeared to be carrying companies, rather than the producers?

A. They were simply matters of expense, and how they divided them or whether they did I do not know. They simply were the figure-heads in all these matters.

Q. But the payments were made by the Delaware, Lackawanna and Western Railroad Company and the Delaware and Hudson Canal Company?

A. I do not know. Who they represented I do not know, or what funds they were taken out of.

Q. You made some reference to the price of coal in 1886 being lower than it had been for some years previous. At what date was the lowest price of coal in 1886?

A. I think it was in May.

Q. What increase has there been since?

A. If I had that paper I could tell you. I should imagine twenty-five or fifty cents.

92 Q. Do you remember at what time that was?
A. There has been a gradual increase. Our prices show an increase.

Q. Where are your stocking places in Pennsylvania?

A. Our only stocking place in Pennsylvania is at the mines.

Q. You have no stocking place at Philadelphia?

A. Yes, sir; we have a stocking place on the Delaware I think possibly that would put away 2,000 or 3,000 tons. It is very limited in area. I do not think we ever carried more than 2,000 or 3,000 tons in it.

Q. What was the price of your coal in Philadelphia, say in May, 1886?

A. I do not really know. I have to keep a good many figures relating to our business in my memory, but that is a part of it I do not remember.

Q. Was there any difference in the price of coal to the Philadelphia trade and that shipped to the New England points?

A. Shipped from where?

Q. From here.

A. We do not ship any coal from here.

Q. None at all?

A. None; we stock some sizes and retail them through the city later in the year. We do not bring any coal here for shipment.

Q. From what points do you ship to the New England market.

A. We ship from New York. From New York tide-water. The actual port is Elizabethport.

Q. How do your prices at Elizabethport compare with those in Philadelphia?

A. I could not tell that without refreshing my memory. That is a mass of detail. My mind grasps averages sometimes and remembers them, but details I can not remember.

Q. Can you say whether they were lower or higher?

A. On some sizes they were higher in Elizabethport.

Q. What sizes?

93 A. Lump coal, and I should suppose broken were higher at Elizabethport than they were here. I should suppose the other sizes were higher here.

Q. Can you state how much higher or lower?

A. No; I can not. I should not imagine that there was very much difference. The best evidence of that I think is that we shipped considerably to both points. If they were higher here we would force our sales here, and if they were higher there we would force them there. I think we shipped largely to both points, and I do not imagine that our prices would differ very much. I could not tell. Our coals are special coals very largely, and do not follow the rules of the average trade always.

By Mr. DICKSON:

Q. Do you send largely on the Lehigh and Hudson to special points in that way which are not competitive?

A. Yes, sir.

By Mr. GENDELL:

Q. Did I understand you to say in you examination-in-chief that your association did not undertake to regulate the price of coal?

A. I did.

Q. Or to advance its price?

A. I did. They never touched that question except at one meeting.

Q. Which meeting was that?

A. It was the first meeting at Mr. Morgan's house.

Q. In March, 1886?

A. I think that was the time.

Q. They did touch it then, did they not?

A. Yes, sir.

Q. Passed a resolution that the price of coal should be immediately advanced twenty-five cents per ton?

A. Free on board at New York; yes, sir. The price of coal at that time had drifted far below cost, and it was the sense of that meeting that we should get out of that condition as fast as possible.

By Mr. DICKSON:

Q. After you passed that resolution, what did you do, in point of fact?

94 A. As to New York?

Q. Yes; did you in point of fact advance it at that time?

A. We did not realize any more for coal in New York. The price of coal kept on falling in New York until May.

By Mr. GENDELL:

Q. You tried to put it up?

A. We tried to put it up.

By Mr. OLMSTED:

Q. Did that resolution apply to the price of coal in Pennsylvania?

A. Not at all. It is limited, as I just said, to coal in New York, f. o. b.; that is, free on board in New York Harbor.

By **Mr. Gendell**:

Q. You about the same time undertook to limit the output or make a restriction of it, did you not?

A. Restrict it to the wants of the market; yes, sir.

Q. And your judgment then was that there must be a considerable restriction?

A. It was. The reason for that was that the coal ports were all blocked with coal, for we had about a million tons in stock then, which I believe was the largest amount that ever was in stock at the shipping points.

Q. That leads me to inquire in regard to another question asked by Mr. Dickson. I understood you to say that you find it more and more difficult year by year to regulate the time when consumers will purchase, and to get them to purchase regularly?

A. Yes, sir.

Q. And they purchase with greater irregularity year by year?

A. No, not with greater irregularity. They purchase with more regard to their daily wants. They do not lay in any stocks. They do not purchase with irregularity in the sense of buying largely one month, buying in excess of their wants one month, and less than their wants in another. As I said, coal producers have had experience in common with almost all other producers, that the producer is required now to carry the coal; that the consumer knowing that he can get it by rail
95 whenever he wants it, asks for it whenever he wants it, and not before. But that makes irregularity only running through periods. The demand is small in the early part of the year, and gradually rises, until at the time when people begin to lay in their domestic sizes of coal, in the fall, it is at its maximum. If we could get the consumer to take his coal with more regularity, we could produce coal more cheaply. That was the reason why we desired to get it done. The average demand of the market last year was at the rate of about, say, 2,700,000 tons per month, but in certain months of the year it demanded, say, 3,600,000. Now if we could have had the mines opened and running steadily with only 2,700,000 tons productive capacity we could have produced coal more cheaply than with mines of 3,600,000 tons' capacity that we could not run all the time. That is the reason we wanted the consumer to take his coal as regularly as possible.

Q. But have not succeeded?

A. But have not succeeded.

Q. Please explain again how it is that this union of the coal companies producing, or carrying, or both, tends to make the demand more uniform and to prevent the necessity of carrying a supply by the producing companies?

A. If we agreed in a month when the market required 2,000,000 tons not to produce 3,000,000 tons, instead of carrying that stock at tide we would carry it at the mines. In other words, we do not mine it until it is wanted, therefore, we do not invest our money in coal until it is wanted, and we do not have to spend our money in stocking coal, and therefore we can produce it more cheaply because we are not producing it in excess of the market. We can produce and sell it more cheaply.

Q. In other words, you restrict your output one month and enlarge it another?

A. We try to keep our output as nearly as possible to what the market requires.

Q. And you try to do that by restricting it at one time and increasing it at another?

A. We try to do that by keeping the output down at certain times to what the market requires.

96 Q. That is, to what you assume the market is going to require?

A. Yes, sir; and for that we have the experience of year after year tabulated, showing from the history of year after year that it takes about the same proportion at the same times of the year. In order to prepare for a wise distribution I went to the trouble, a little more than a year ago, of seeing for a period of four years, which I thought was as far back as we could get any light on the history of the trade, what per cent. of the total output of the year was taken each month, and it was from the history of the trade that we estimated what the future would be.

By **Mr. Cassidy**:

Q. After all, that question was determined by the gentlemen who met there? They determined whether it would be so or not? The condition of the market is determined by your people?

A. The condition of the market is determined by the reported stocks. If we have half a million tons of coal in stock, and the market is somewhat bare, we would estimate that the market would require more than if at the meeting we found a million tons in stock.

Q. That is your estimation; but you are the people who decide?

A. We are estimating for the trade what amount the market will require each month.

By **Mr. Gendell**:

Q. Your answer raises another difficulty in my mind. If you regulate your output from month to month by a demand which is more irregular year after year, how does that tend to keep the mine employed more regularly?

A. I can not say how it tends. I can only say that the fact is so. We are not specially interested in this tendency, but in facts. The fact is they were kept more regularly employed, as their earnings show, where we do not attempt to but a very limited extent, for a matter of two or three weeks, to foresee what the market will take, and as to whether it will keep the mine more regularly employed is a matter that depends very largely upon what the demands of the country for coal are.

97 Q. I understood you to say also that these happy times with your men have extended back about ten years. Is that so?

A. Yes, sir.

Q. That certainly does not depend on this combination, which was organized two years ago?

A. Certainly not.

By Mr. DICKSON:

Q. When you meet at your monthly meetings, your object is to ascertain the fact whether the market is bare, or the contrary?

A. Yes, sir.

Q. And from the facts as they are reported you make your estimate as to what the requirements for the next few weeks will be?

A. Yes, sir.

Q. And if you find you make a mistake, you meet again in the middle of the month and say you made a mistake, and the market will take more?

A. Yes, sir.

Q. Mr. Jones has acted as the statistician for the trade, and furnished information such as is necessary for its requirements for a great many years?

A. Yes, sir; for ten years certainly, I think.

Q. And that has been done heretofore at the expense of the Reading Railroad Company?

A. Yes, sir. There was a time a number of years ago, I do not know when, when I believe he was paid by the different parties interested; then there was a period of several years when he was paid by the Reading Company alone, and in the last two years that was thought to be an unfair thing to ask of the Reading Company, and that the persons interested should share in the cost of it.

Q. His service consists in keeping statistics of the coal shipped over each line of transportation, and furnishing you with tabular statements showing how the product of each month compares with the product of the previous months?

A. Yes, sir.

By Mr. GENDELL:

98 Q. I notice among the letters you produced to-day that there is one dated in October, and, with the exception of that, there is none here later than the middle of June. Is that the only correspondence you have?

A. Yes, sir; they were carefully taken from my book and contain everything.

(A number of papers heretofore called for are here produced and marked for identification, "A, B, C, D, and E, January 7, 1887.")

The WITNESS. I was called upon to produce the minutes of the Philadelphia Association, of the Toll Agents' Association and Coal Sales' Agents, also records, letters, and circulars of the Western Anthracite Association, in response to which I answer that I know of no such circulars, letters, records and minutes, and if any such exist they have never been in my possession nor have I ever seen them.

Adjourned until Saturday, January 8th, 1887, at 11 o'clock a. m., in Parlor C, Continental Hotel.

PHILADELPHIA, *January* 8th, 1887—11 a. m.

Hearing held in Parlor 16, Continental Hotel.

Present—The Examiners (Messrs. Mitchell and Chamberlin); Messrs. Cassidy, Snodgrass, and Gendell, for Commonwealth; Messrs. MacVeagh, Dickson, Olmsted, Wolverton, Drinker, Kaercher, Gowen, Morris, and Barnes, of counsel for defendants.

JOHN H. JONES, having been duly affirmed, was examined as follows:

By Mr. GENDELL:

Q. What is your business?

A. I am connected with the traffic department of the Reading Railroad.

Q. What position do you hold in that department?

99 A. My occupation is specially connected with coal rates; rates of transportation on coal and coke, &c.

Q. How long have you been employed in that department?

A. In 1873, I think, I began with that railroad. I came with the Catawissa. When they leased the Catawissa Railroad, I was retained in the position I then occupied.

Q. You had previously been with the Catawissa Railroad?

A. Yes, sir.

Q. How long had you been with that road?

A. About eight years.

Q. That carries us back to about what year?

A. About 1865. In the early part of 1865 I began my service with the Catawissa Railroad.

Q. You have made a special study connected with the coal trade?

A. Yes, sir, I have; the one department of that business, tonnage. I have had something to do with the tonnages.

Q. How long have you been connected with the coal trade, directly or indirectly, through the railroads? During all the time that you have mentioned?

A. No, sir; I can hardly say that, because my occupation with the Reading Railroad Company drifted into coal matters almost during the whole time more or less.

Q. You are also secretary or clerk of the Anthracite Association?

A. I have occupied the position of statistician, so called; I do not know what you might call it. I keep account of tonnages, of all the interests as they relate to each other.

Q. What are your full duties? State them as fully as you can, and as accurately as you can.

A. I collect the statistics from the various interests, compile them and put them in form for public distribution.

Q. How long have you had that duty?

A. I have been doing that in that way since the beginning of 1876.

Q. Who employed you at that time?

A. In 1876?

Q. For that duty?

100 A. I was then employed by Mr. Gowen.

Q. For the Reading Railroad?

A. No, sir: I was not employed by the Reading Railroad Company during the time that I occupied that position that year. I was not in the employ directly of the Reading Railroad Company. Probably my first answer ought to be modified to that extent. I did not think of it when I first spoke. During the year 1876, for eight months, I think it was about eight months, I was employed exclusively by the interest which controlled the coal shipments, and kept these statistics for them, for which they paid me a salary, but the understanding under which they were acting was broken about August of that year, I think, if I remember aright, and from that time I went back into the employ of the Reading Railroad Company, but still kept, in a manner, the statistics.

Q. Was that employment during the year 1876 by Mr. Gowen individually?

A. No, sir; by Mr. Gowen as secretary of an organization, if you may so call it, or a meeting of gentlemen, whose names I knew.

Q. Can you recall their names? If so, who were they?

A. I do not know that I can recall them without referring to papers which I have not with me. They were the then presidents of the various railroad companies. I do not know that they have changed in any instance at all.

Q. The presidents of the various railroad companies?

A. The then presidents of the various railroad companies transporting coal.

Q. That organization of presidents broke up about August, 1876?

A. Yes, sir; about that time.

Q. Did you continue in your employment collecting statistics of the coal trade from then on?

A. Yes, sir. Not in so much detail, however, as I did when I devoted my entire time to it.

Q. From that time you have kept yourself fairly familiar with all the statistics of the coal trade, and particularly with the tonnage?

101 A. Yes, sir.

Q. By whom were you employed from that time on to keep these statistics?

A. I was not employed by anybody from that time on until 1878 when there was another understanding arrived at, and they re-employed me for that purpose. I spent one year in their employ, and then went back again to the Reading Railroad Company.

Q. When did you go back to the Reading Railroad Company?

A. At the beginning of 1879.

Q. Did you then continue collecting these statistics?

A. I did; yes, sir.

Q. For whom?

A. Mostly for my own [illegible] erested in them, and I thought that the [illegible] e, so I continued with my own office, at my o[illegible] rests saw fit to favor me with the reports. [illegible] would continue to send me such statements as would enable [illegible] e in a fairly accurate condition, simply as a matter of record.

Q. Then I understand you, and am I correct in my understanding, that from that time on you collected them as an individual matter?

A. Yes, sir. I can only say that because I was not employed by anybody. I was working for the Reading Railroad Company at the time exclusively almost. With this exception, exclusively.

Q. Up to what time did you continue to collect them for your individual use?

A. Up to the close of 1884.

Q. By whom were you then employed?

A. I was then requested by Mr. Joseph S. Harris to continue collecting these statistics.

Q. Were you paid for your services after that date?

A. I was after 1884.

Q. By whom?

102 A. By a part of the interests from whom I received the statistics.

Q. Do you remember who paid you and when and how much?

A. Yes, sir. I can state it perhaps in my own way better than I can in answer to questions. Mr. Harris notified me that the interests had requested that I should continue to keep the statistics. I suggested to Mr. Harris then that I ought to be paid something for it; I had been doing it for nothing for some time. He said, "Of course, they will pay you if you send your bill." He asked me to send my bill, not even stating how much it should be or what amount of salary I should receive, or anything of the kind. At the close of the first six months I made out bills against all the interests represented, as I understood them, at the rate of $1,000 a year. I sent those bills to Mr. Harris' office, he being the secretary, as I understood it. I do not know what disposition he made of the bills. All I do know is that the checks came to me through Mr. Harris. I believe one or two checks did come to me directly. I could not say now positively about that.

Q. From whom did you receive checks?

A. I received them from the treasury departments of the railroad interests I believe entirely.

Q. Did you receive any from the Lehigh Coal and Navigation Company?

A. No, sir.

Q. From what companies did you receive?

A. From the Philadelphia and Reading Railroad Company or its receivers, as the case might be; Lehigh Valley Railroad Company; from the Delaware, Lackawanna and Western Railroad Company, and the Delaware and Hudson Canal Company; from the Pennsylvania Coal Company, and from the New York, Lake Erie and Western Railroad Company.

Q. None from the Pennsylvania Railroad?

A. None from the Pennsylvania Railroad.

Q. Are those companies which you have named all of the companies forming the the association, with the exception of the Pennsylvania Railroad?

103 A. They are, those through whom I received my accounts, the only ones I dealt with directly.

Q. You have since then been paid by the same companies, have you not?

A. Up to the close of June, 1886, I was paid by those interests. I have not made my bills for the last six months.

Q. Your employment still continues, however, does it not?

A. To the best of my knowledge it does. I hope it does.

Q. You have simply not yet sent out your bills?

A. Yes, sir.

Q. What reports and returns do you receive? Have you a form of return?

A. We have no special form. The reports are made by each company to suit its own ideas of what they require, I having in many cases explained to them just what I wanted, but there is no specific form, each one employing its own form.

Q. How often is the return made, and when?

A. The returns are made each month for each company.

Q. Are they made by the producing companies?

A. They are sent to me by the railroad companies.

Q. Do you know how they collect them?

A. I do not know.

Q. By the "railroad companies" you mean the companies which you have just mentioned?

A. Yes, sir; the companies which I have just mentioned.

Q. Is it a report of shipment or of production?

A. The report that I get is supposed to comprise the entire production with the exception of some small amounts that are used about the mines and sold to the employés directly connected with the mines.

Q. Have you those returns with you?

A. Yes, sir.

Q. You say it is supposed to include the entire amount produced by the various companies. Does that include the individual producers also?

A. Yes, sir; I so understand it.

104 Q. In other words, if I am correct, it includes all the coal produced which is shipped over these various roads. Is that the idea?

A. Yes, sir; it is the idea, and yet I think there is a little tonnage included in that which is not shipped at all; coal that is sold at retail by some of the mines and works, the object being in all cases, as far as I was able to do it, to get the entire production of anthracite coal.

Q. How do the railroad companies secure information with regard to coal sold at the mines by their corporations and individual producers?

A. I am unable to answer that question.

Q. What else do they include besides return of the production such as you have mentioned? Do they include returns of shipments and points to which coal is shipped?

A. Some of them do, and some of them do not.

Q. Do they include returns of the amount of coal on hand?

A. They do.

Q. Both at the shipping points and also at the points of destination—tide-water?

A. They include in their reports the amount of tonnage remaining on hand each month at tide-water shipping points only.

Q. Tide-water shipping points of the railroads, I understand you?

A. Of course, because there are none others that I know of.

Q. What else do they include?

A. I have stated they include the entire production so far as I am able to know, with the exception that I have stated.

Q. Do they include valuation or selling price?

A. Not at all.

Q. Please produce the papers.

A. Shall I produce them in the order I have named them?

Q. Produce them in any systematic order that you may desire.

A. (Producing paper.) That is the report of the Philadelphia and Reading Railroad, as I received it for the month of November, 1886. I merely give you one as a specimen of all. They are all substantially the same.

105 Q. By whom is that furnished to you?

A. I received it from the controller's office.

Q. You are still receiving them monthly from the Reading Railroad Company?

A. From the receivers of the Reading Railroad Company. I do not question as to whether it is the company or the receivers. At present it is from the office of the receivers.

Q. Those from the Reading Railroad Company or its receivers are all in that form, or substantially in that form?

A. Yes, sir; I am afraid that by some accident I have misplaced the Lehigh Valley's statement. I had it right here in the envelope. I have had them out once or twice, and it is barely possible that has been left on my desk. I will furnish it as soon as I get back to my office. [Producing paper.] The next one in order would be the Delaware, Lackawanna and Western Railroad Company, which I hand you.

Q. What is the meaning of this deduction, total tonnage of this company for November, 1886, 55,783.13, less Delaware and Hudson Canal Company 1807.15, less Pennsylvania Railroad 36,867.01. What is the meaning of that deduction?

A. It means that the particular tonnage there reported is only transported over a short distance upon the original road, and is delivered again or belongs to the original roads named there. A part of the duty that I do as accountant is to take out what we term duplications of tonnage. It was to eliminate those in the compiling of these statistics. Frequently a certain tonnage will originate upon one road, and perhaps be moved but a very short distance upon that road, and then taken to market upon another road. Each of the railroads in their own individual accounts will include that tonnage, and it becomes, therefore, a duplication. It was my duty to find out, so far as possible, all such cases and eliminate them, and that is a case of the kind that you speak of.

Q. It therefore follows, does it not, that the reports of returns to you include coal carried as well as coal produced?

A. It includes both, of course, because the coal could not be carried unless it was

produced. I stated [illegible] and [illegible] ntire production
included in [illegible]

106 Q. Supp[illegible] cluded in the re-
turns, and was [illegible] xt month, would
it appear a second time i[illegible]

A. No, sir. The rule w[illegible] was that all coal was included in the statements furnished [illegible] e scales, and was way-billed up to the close of any month.

Q. What scales?

A. The railroad company's scales. It is the custom of all railroad companies to weigh the coal before they ship it.

Q. You mean the scales at shipping points?

A. Yes, sir.

By Mr. DICKSON:

Q. At the breaker?

A. No, sir; it is between the breaker and market. It is a shipping-point on the railroad.

By MR. GENDELL:

Q. I am not sure whether I asked you previously how they would make the report of coal which does not pass over the scales which is not loaded in their cars nor shipped by them?

A. I presume that the coal is reported in some way to them in their accounts of the railroad company. I do not know how it is done. I assume that it is done. It is my understanding that that tonnage is included. What methods they take for securing that information amongst themselves I am not able to say.

Q. Where the same coal is carried by two or more different companies, to which company do you charge the tonnage?

A. That varies a little. It is governed by circumstances. Those circumstances are not always identical. It is usually charged to the party who produces it, but not always so. Sometimes there is an agreement between those parties of their own, of which I know nothing. I only know the fact that they will assume certain tonnage in their quota, or *vice versa*.

Q. Take these individual instances. Are you able to tell who the producer
107 of the coal deducted, as charged to the Delaware and Hudson Canal or to the Pennsylvania Railroad Company, was?

A. Yes, sir; the coal that is there deducted as charged to the Delaware and Hudson Canal Company I understand to be coal mined from a breaker which is controlled jointly by the Delaware and Hudson Canal Company and the Delaware, Lackawanna and Western Railroad Company. They take the tonnage alternately each month; one takes it one month and the other takes it the other month, and being located upon the line of the Delaware, Lackawanna and Western Railroad, it therefore comes into their local or lateral tonnage every month. In reporting their local shipment that tonnage would be included, and in dealing with the other interests it would be necessary to deduct it, because the company to which it is charged has it already in its account. With relation to that which is deducted for the Pennsylvania Railroad Company, there are two collieries located upon the line of the Lackawanna and Bloomsburg road, the product of which goes to the market over the North and West Branch Railroad. It is shipped a mile or two miles—two or three miles—a very short distance, to Nanticoke and there delivered to the North and West Branch Railroad and taken into the tonnage of the Pennsylvania Railroad by an understanding they have among themselves, which I know nothing about.

Q. So that in this instance the charge represents the carrying rather than the production; is not that so?

A. What do you mean by "charge?"

Q. The charge of the amount of tonnage against a company as a part of its quota. It would be charged against the quota of the Pennsylvania Railroad Company, and the Pennsylvania Railroad is the carrier rather than the company representing the producer?

A. In that particular case that is true.

Q. When you speak of the breaker being jointly controlled by those two companies, the Delaware, Lackawanna and Western and the Delaware and Hudson Canal Company, what do mean by jointly controlled by them?

A. I have no knowledge of the facts except by hearsay.

108 Q. What do you understand as their statistician and agent?

A. I understand that the product of the property is divided between them; that one and the other takes it alternately.

Q. Do you mean they own the breaker?

A. I do not understand anything about that at all. I do not know anything about the matter as a matter of fact, excepting as it comes to me. It is reached by one line. That is the reason it appears in this tonnage every time.

Q. Who controls the breaker?

A. I believe it is an individual. I understand it to be an individual working the mines, and the tonnage is given to each one of these companies by contract every alternate month. I really do not know very much about the facts. I could hardly state any more than that in regard to it. I do not know.

Q. The actual carrying of the coal does not vary from month to month, does it?

A. I cannot say. I will look that up. I can tell exactly about that.

Q. Please give us the other returns.

A. The Delaware and Hudson Canal Company furnishes a report like this I hand you. [Producing paper.]

Q. Does the amount credited from the account of the Delaware, Lackawanna and Western and those charged to the Delaware and Hudson Canal Company in the return of the former company anywhere appear in this return of the Delaware and Hudson Canal Company?

A. I am not able to say without looking. I can tell in a moment. It is understood to be included in that. [After looking.] I find I am not able to identify the tonnage exactly in this statement. I believe it to be included in the Delaware and Hudson Canal Company's statement, but it is included in a larger item, and, therefore, I can not pick it out.

The Pennsylvania Railroad Company make a report like this. [Producing paper.]

The Pennsylvania Coal Company make a report like this. [Producing paper.]

109 Q. In the last item of this they include shipments over two other companies. What do you do with that item? How do you prevent the duplication of it?

A. They assume the tonnage in those items themselves, and it is taken out of the tonnage of the Delaware and Hudson Canal Company. This tonnage is assumed by the Pennsylvania Coal Company. That is, they take it into their quota as matter of course. It is produced from collieries located on the line of the Delaware and Hudson Canal Company's Union Railroad. The collieries belong, I believe, to the Pennsylvania Coal Company.

By Mr. SNODGRASS:

Q. The Pennsylvania Coal Company is primarily a mining company?

A. Yes, sir.

By Mr. GENDELL:

Q. It is charged against whom?

A. Do you mean the tonnage referred to a moment ago?

Q. Yes.

A. It is charged against the Pennsylvania Coal Company.

Q. Does it also appear in the returns of the Erie and of the Lehigh and Susquehanna through the Reading?

A. No, sir; it does not. The Erie Railroad Company make me a rather meager report, and I am obliged to accept it as I get it, and I am not able to check the account to know whether it is correct or not. I assume it to be correct from my personal understanding with Mr. Felton. I therefore can not say positively whether it is or is not. I presume it is. The assumption is that it is not duplicated. As to that which relates to the Delaware and Hudson Company, I have some little check upon; and as to the Pennsylvania, there is more or less detail furnished me.

Q. But that last item, as I read that return, includes shipments west over the Erie and over the Lehigh and Susquehanna?

A. Yes, sir.

Q. As I understand it, the returns of the Lehigh and Susquehanna come to you through the Reading?

110 A. So far as I know, they do. They are incorporated with the Reading tonnage.

Q. That is already in evidence in the case. My former question to you was intended to be whether these returns thus made by the Pennsylvania Coal Company, which includes shipments over the Erie and over the Lehigh and Susquehanna, are also included in the returns made by the Erie to you and by the Philadelphia and Reading Railroad Company to you?

A. That which is stated here as going out by way of the Lehigh and Susquehanna Railroad is included in the Reading tonnage and deducted upon the face of the report, as you will observe. That which is said to be forwarded by way of the Erie I have no check upon, as I stated before, excepting so far as I can get it from the Delaware and Hudson, who were the joint operators of the track over which this coal passed.

Q. Where is the deduction on the return of the Philadelphia and Reading Railroad?

A. I beg your pardon. I have misstated this. The deduction that is on here is not connected with the Pennsylvania Coal Company's tonnage; it is another tonnage which is similarly treated, and therefore it is not included in that.

Q. Would there not then naturally be a duplication of this last item in the return of the Pennsylvania Coal Company?

A. Not necessarily, as we understand it, unless false returns are made to me, which I have every reason to believe is not the case. I suppose, to a better understanding of this, it would be proper for me to state that the piece of track over which this tonnage passes to reach its destination is jointly operated by two companies, or was up to the seventh day of November last, and therefore what is stated as the Lehigh and Susquehanna is not the Lehigh and Susquehanna really, it is the Delaware and Hudson Canal Company. It was usually called the Lehigh and Susquehanna, because the Lehigh and Susquehanna Railroad had operated that piece of track jointly with them, and it was simply so stated on their reports and never corrected, because it amounted to nothing to us and we knew what it was.

111 Q. Do I understand you that it would not appear in the return of the Reading at all?

A. No, sir; it would not.

Q. Nor in the return of the Erie?

A. I assume that this does not appear in the return of the Erie. As I stated, my report from the Erie is meagre, and I am not able to check it. I now produce the return of the New York, Lake Erie and Western. That is all I have. I will produce the return of the Lehigh Valley.

Q. Returning to the report of the Pennsylvania Railroad Company, I find a footnote, as follows: "Competitive tonnage, 22,710 tons 10 cwt." What is meant by that return?

A. At my request, they have furnished me with the tonnage that we term competitive tonnage. It is proper for me to explain that the term competitive tonnage, as we understand it in this report, means all coal which for its final consumption or *in transitu* reaches tide-water, either in the waters of New York or passing out the capes of the Delaware. It has grown to be the term representing that particular part of the market. It is all competitive, more or less, but that is what we term competitive.

Q. Do I understand you, then, that of 312,000 tons returned by the Pennsylvania Railroad Company for the month of November last, only 22,700 tons in round figures were competitive and about 280,000 were non-competitive?

A. I so understand it.

Q. How long have they been using this form in the Pennsylvania Railroad Company?

A. I am unable to say now without looking. About two years, I think. Somewhere around there. I am not exactly prepared to say that. The form was printed before, but I think it was not just as that is. When the change took place I don't remember.

Q. Have you been making the return on a printed form steadily for about two years?

A. Yes, sir.

Q. Every month?

A. Yes, sir.

112 Q. Substantially in this form?

A. Substantially in this form.

Q. I notice on the return of the Philadelphia and Reading Railroad Company that they make a number of deductions. Among others, coal to the Pacific coast of the United States and coal to foreign points. Is not coal shipped to foreign points or to the Pacific coast included in the restriction of the Anthracite Association?

A. I don't know whether it is or not. We have no rules governing restriction. I know nothing about it. I simply make up the reports as I get them.

Q. Are they included in the production?

A. They are included in the production, of course.

Q. The coal used at the mines for steam and heating purposes and by laborers, and so forth, is, of course, included in the production?

A. It is not.

Q. Not included in the production?

A. Not included in my statement of the production.

Q. In your statement of the production, which we have not yet reached, but will in a moment, do you include that shipped to foreign ports?

A. I do not. As far as I know, there is only one company which make report of that item, and they take it out.

Q. Do I understand you, then, that you allot or consider as a part of the allotment of the Philadelphia and Reading Railroad Company only the balance remaining after this deduction?

A. The balance remaining after those deductions is the amount that is charged to the Reading Railroad Company as their allotment—to be applied to their allotment.

Q. But you do not, therefore, if I understand you, apply to their allotment coal shipped to foreign points or to the Pacific coast?

A. I do not in their case.

Q. Nor coal used at the mines for steam and heating purposes, nor coal used by the laborers, and so forth?

A. I do not.

113 Q. Do I understand you, therefore, that your statement of the production
does not include any of those items, and that being the case, so far as the Reading Railroad at least is concerned, it must include only that shipped to market? Am I right about that?

A. I think I have before stated that I am not able to say exactly the method employed by the railroad companies in securing these figures for me as they relate to production. My understanding is that they embrace the entire production, with the exceptions stated.

Q. When you receive these returns what is done with them?

A. I record them in the book, or have it done; make up the general statement which you see there and print it. These statements, however, are subject to such corrections as may be clerical errors and the like, of course, which are always understood.

Q. In other words, you tabulate these?

A. Tabulate them.

Q. What do you do with the tabulated statements?

A. I put them in print.

Q. Have you one statement in print which includes them all for the past two years?

A. No, sir.

Q. There is a series of them?

A. They are published each month.

Q. Will you please produce a complete series of those?

A. I do not think I can do that now in printed form. I did not prepare myself to do it. I can do it later.

Q. Can you give me the substance of them all? Can you give me the result of them all? Have you that material with you?

A. Yes, sir; I think so.

Q. Please do so.

A. I am able to give you just what you ask for, but I have not got it here at present. I can give you the results of those statements. Do you want them monthly, or will annual statements be sufficient? I have got the monthly statements all printed and can furnish them in a very few minutes, but I can give you the December statement, which brings up the tonnage for the year. It is merely an aggregation
114 of the others all thrown together. [Producing paper.] There is the form that
the statement is made up upon. This is for November. That is the last one that has been printed. They are all kept precisely like that in form. [Producing another paper.] There is the December statement of 1885, which embraces the tonnage for the year.

Q. Have you the material here to give us the returns for the entire year of 1886 down to and including December?

A. I have not. I have not received them yet.

Q. Then this is not only the last one printed, but the last one made up?

A. Yes, sir.

Q. And the last one for which you have the materials?

A. Yes, sir; the last one for which I have the materials.

Q. When do you receive your returns?

A. They are usually completed by the 15th of the month—from the 15th to the 18th.

Q. What are these marks in red ink?

A. Percentages.

Q. These are the percentages of what?

A. Percentages on the total of the column in which they appear. The first red figures are the percentages for the month of December, 1885. The other is the percentage as it relates to the entire production for the year.

Q. Not the percentages allotted at the beginning of the year?

A. No, sir; not at all. It is simply to show the percentage of the production.

(Mr. Gendell offered in evidence all the statements of returns made by the various companies produced by the witness; also the two statements produced by the witness, being for December, 1885, and November, 1886.)

The statements produced by the witness are as follows:

THE PHILADELPHIA AND READING R. R. CO.

Anthracite coal tonnage November, 1886.

		Tons. cwt.
Passing over main line		462,373.15
For shipment by Schuylkill Canal		76,575.15
Passing over L. & S. division		487,161.19
115 West via C. & W. Br. & N. C. R. R		3,674.09
" " S. S. & L. Br		51,595.01
East " L. V. R. R. & L. & S. division		9,916.13
West & south from Pine Grove		19,509.03
Consumed on laterals		13,307.06
For company's use, P. & R	63,528.00	
L. & S	31,172.04	
		94,700.04
		1,218,814.05
Less:		
Rec'd from N. C. R. R	"	
Coal to Pacific coast of the U. S	15.00	
" " foreign points, &c	"	
" " D. & H. C. Co	6,828.12	
" from " "	"	
" to L. V. R. R. Hanover C. Co	885.03	
" " R. " " Red Ash C. Co	1,567.19	
" from Susquehanna C. Co	"	
" used at mines for steam and heating purposes and by laborers, &c	1,731.00	
		11,027.14
Total subject to allotment		1,207,786.11

E. & O. E.

H. W. HANCOCK,
Aud. C. & E. Traffic.

12, 16, 86.

DELAWARE, LACKAWANNA & WESTERN RAILROAD CO.

[Coal department, 26 Exchange Place, E. R. Holden, second vice-president. P. O. box, 2000.]

NEW YORK, *Dec.* 15, 1886.

Mr. JOHN H. JONES,
227 So. 4th Str., Philadelphia, Pa.:

DEAR SIR: Total tonnage of this company for November, 1886		557,783.13
Less D. & H. Canal Co	1,807.15	
" Pa. R. R	26,867.01	
		28,674.16
		529,108.17
On hand at tide and in transit, including shipper's coal		10,175.19

Yours, truly,

E. R. HOLDEN.

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116 OFFICE COAL DEPARTMENT,
DELAWARE AND HUDSON CANAL CO.,
Providence, Pa., November 30th, 1886.

JOHN H. JONES, Esq.,
227 South 4th St., Philadelphia, Pa.:

Coal mined and forwarded by the Delaware and Hudson Canal Company for the month ending Saturday, November 30th, 1886:

D. & H. C. Co.	Week.	Current year.
ORTH	325,928.02	3,040,139.07
OUTH	25,989.15	192,889.02
Total D. & H	351,917.17	3,233,028.09
ransported ac. Erie	51,764.08	568,809.12
Total	403,682.05	3,801,338.01
Corresponding time in 1885.		
. & H. North	339,172.13	2,763,591.17
. & H. South	45,483.16	231,836.12
Total	384,656.09	2,995,428.09
ransported ac. Erie	48,480.02	597,730.09
Total	433,136.11	3,593,158.18
Total increase, 1886	....	208,179.03
Total decrease, 1886	29,454.06	....

A. H. VANDLING, *Sup't.*

2301 PROVIDENCE PLACE,
Scranton, Penna., December 7th, 1886.

OHN H. JONES, Esq.:

DEAR SIR: Below please find statement of coal mined and forwarded by the Del. nd Hud. Canal Co. for month November, 1886.

. and H. C. Co.:	
Coal Brook	24,074.15
Carbondale (No. 1 shaft. No. 3 shaft. Powderly)	29,183.04
Jerwyn No. 1	18,929.12
17 White Oak	12,621.04
Grassy Island	8,569.02
Eddy Creek	16,087.09
Marvini	15,311.04
Lyetts Creek	14,657.19
Dickson	15,738.15
Vonstorck	20,433.11
Manville	15,146.17
Mill Creek	7,693.19
Pine Ridge	17,492.15
Laurel Run	10,513.08
Balt. Slope	5,197.01
Conyngham	7,965.04
Balt. Tunnel	9,452.05
Plymouth No. 2	14,503.09
" " 3	18,409.11
" " 4	10,958.08
" " 5	15,750.13
Boston	12,870.00
Total Del. and Hud. Canal Co. interest of D. and H	321,560.05
ontractors:	
Jones S. & Co	12,357.00
Johnson & Co	12,079.00
Bridge C. Co	5,921.12
Total contractor's interest of D. and H	30,357.12
Total production interest of D. & H. proper*	351,917.17

* Included in above total figures is 2073[illegible] tons coal consumed by employees during onth November.

Transported ac. Erie:

Penna. Coal Co. E. and W. V. Junction	28,510.13
" Edgerton	194.05
" Lacka. C. Co	1,135.03
Butler Coal Co. Pittston	2,147.04
Frisbie and Co. Ashley	1,440.18
" Mill Creek	45.03
W. H. Davis and Co. Ashley	353.17
" Mill Creek	3,995.03
" Sugar Notch	1,693.12
" Lacka. Coal Co	1,249.06
" Edgerton	148.06
" Elmwood	14.07
A. Langdon and Co. Grassy Island C. Co	1,064.11
" Edgerton	5,032.19
" Elmwood	157.09
" Spring Brook	322.07
Hanover Coal Co. Sugar Notch	304.08
118 Whitney and Kemmerer Ashley	179.16
" Elmwood	1,786.06
" Fairmount	1,545.00
" Spring Brook	96.11
Chisholm and Parrish Ashley	254.09
Central Coal Co. Ashley	43.06
Hillside Coal and I. Co	49.09
Total transported ac. Erie	51,764.08
Total	403,682.08

A. H. VANDLING, *Sup't. E.*

[G—Form 430. A. F. R.]

PENNSYLVANIA RAILROAD COMPANY,
ACCOUNTING DEPARTMENT,
Philadelphia, December 14th, 1886.

Report of anthracite coal forwarded from the regions named below during the month of November 1886.

	Shipper.	Total for month.		Total to date.	
		Tons.	Cwt.	Tons.	Cwt.
FROM WYOMING REGION:					
By Canal	Penna. R. R.	61,897	00	473,436	00
" L. & B. R. R., hauled by P. R. R. motive power	do				
" L. V. R. R	do	14,682	08	157,773	06
" N. & W. B. R. R., from collieries on that line, excepting coal from West End colliery	do	55,828	06	778,081	00
	Other shippers	37,071	08	452,794	19
FROM SCHUYLKILL REGION:					
By Northern Central Railway, from collieries on that line	Penna. R. R.	27,802	17	246,570	05
" Summit Branch R. R	do	42,622	08	301,563	14
	Other shippers	43 150	07	486,681	14
FROM LEHIGH REGION:					
By S., H. & W. R. R., from collieries on that line	Other shippers	28,649	09	293,405	06
Total		312,204	03	3,190,325	06
COMPETITIVE TONNAGE		22,710	10		

Correct.

G. M. TAYLOR,
Audr. Frt. Recpts.

DEC. 14, 1886.

119 PENNSYLVANIA COAL COMPANY.

[George A. Hoyt, president; Edwin H. Mead, treasurer; Wm. E. Street, secretary; capital, $5,000,000; office, No. 1 Broadway; post-office box, 1071.]

NEW YORK, *Dec.* 6, 1886.

JOHN H. JONES, Esq., *Acct., Phila., Pa.*:

DR. SIR: Below please find tonnage of this company for November, 1886:

	Tons.
Shipped East to tide	101,345.11
" " on lines	18,369.13
West via Erie & L. & S	26,812.19
Total	146,528.03
Used for steam, &c., at mines (not included above)	5,428
Used for miners, &c., at mines (not included above)	1,053
On hand at tide Nov. 30, '86	17,200

Yours, truly,

WM. H. ZIEGLER,
G. Sales Agt.

NEW YORK, LAKE ERIE & WESTERN RAILROAD CO.,
VICE-PRESIDENT'S OFFICE,
New York, Decr. 13th, 1886.

Mr. JNO. H. JONES,
Acct., 227 South 4th St., Philadelphia, Pa.:

DEAR SIR: I beg to advise you that our anthracite tonnage for the month of November amounted to fifty-eight thousand nine hundred and thirteen tons and fifteen cwt. (58,913 tons & 15 cwt.).

Yours, truly,

S. M. FELTON,
per S., First Vice-Presdt.

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120 FORWARDING OFFICE LEHIGH VALLEY R. R. CO., PACKERTON, PA.

Statement showing total tonnage over L. V. & P. N. Y. Rds. for each region, with distribution and deductions. November, '86.

Regions.	November.	Total from January 1.
Wyoming	326,117.07	2,199,895.13
Hazelton	240,267.12	2,128,556.06
B. Meadow	85,406.07	732,704.11
Mahanoy	151,787.04	1,379,636.08
Grand total	803,578.10	6,440,798.00

DISTRIBUTION.

Local east of M. Chunk	9,936.07	85,052.16
Forwd. " use L. V. R. R	12,679.05	132,555.00
Deld. to furnaces & mfg. cos	71,899.00	724,075.02
" Schuylkill & L. R. R		63.11
" Ironton R. R	262.16	3,039.17
" C. & F. R. R	1,076.11	5,802.12
" East P. R. R	21.19	185.18
" Perkiomen R. R	14,964.06	116,799.18
" N. P. Div. P. & R. R. R	11,143.00	91,360.18
" P. Del Morris Canal	40,894.00	288,421.01
" N. J. Div. L. V. R. R	160,066.04	1,641,815.18
" M. & E. R. R	3,334.12	54,418.11
" Bel. Div. P. R. R	147,777.14	1,245,474.13
" Central R. R. N. J	250.17	4,418.16
At. & A. B. M. C. use of Co	13,947.08	112,412.04
To P. N. Y. R. R	120,703.12	1,029,490.09
" N. C. R. R	3,857.07	31,096.11
Lehigh Canal E. M. C	6,521.16	251,888.15
S. H. & W. R. R	5,793.06	73,603.19
L. & S. Div. C. R. R. of N. J	57.08	348.12

Statement showing total tonnage over L. V. & P. N. Y. Rds.—Continued.

DISTRIBUTION—Continued.

Regions.	November.	Total from January 1.
Individuals at M. C	879.00	5,929.19
" above	2,221.10	33,817.16
L. & B. R. R. Lack. Jct.	11,4[illegible].06	72,712.90
From P. Valley Bch	31,101.19	265,996.13
" W. Pit ston "	15,917.05	123,937.11
" L. & B. R. R. Lack. Jct	....	28,268.17
To Del. & Hud. C. Co. W.-Barre	116,685.02	251,565.12
Total	803,578.10	6,440,793.09

121 DEDUCTIONS.

Coal from D. & H. Balt	138.17	3,617.66
" " " Plymth	....	2,066.29
" Susq. C. Co. S. Notch	14,474.05	159,391.63
" Colorado Coll	....	....
" L. & B. R. R. Wyoming	11,496.06	72,772.98
" Del. & Hud. C. Co. W.-Barre	116,685.02	231,565.12
" W. C. Ck. S. H. & W	1,280.01	33,788.18
" Lower " "	2,055.09	35,231.98
Big M. Run P. & R	3,629.15	41,487.16
Tomhicken C. Bros. & Co	....	17.13
Sullivan and Erie R. R	....	1,809.14
Hauto, P. Bg. L. & S. C. R. R. N. J	....	....
Prospect, Pea used Mines	....	68.00
Lancaster, on P. & R	....	5.98
D. & H. Boston	....	....
L. & W. B. C. Co. So. W.-Barre P. & R. R	10,910.13	114,609.19
Alden	17,141.02	169,080.16
L. & B. R. R. L. Jct. From	....	46,474.67
Park No. 2. Pea used Mines	225.10	3,327.80
Centralia. " " "	....	372.00
Logan. " " "	53.00	198.00
Penna. C. Co. P. Griffith	185.17	21,517.11
Morris Ridge	3,286.11	15,529.83
Shenandoah	....	30.18
Total deductions	181,564.08	952,934.17
Total L. V. interest Nov	622,014.02	5,487,858.65
S. L. & S. tonnage, J. H. Jones Rept	5,318.14	53,204.05

Respectfully,

E. M. WILLIAMS,
Ford. Agt. R.

DEC. 4th, 1886.

ANTHRACITE COAL TONNAGE.

Statement of anthracite coal tonnage for month of November, 1886, compared with same period last year.

[This statement includes the entire production of anthracite coal, excepting that consumed by employés, and for steam and heating purposes about the mines.]

	November, 1886.	November, 1885.	Difference.	For year 1886.	For year 1885.	Difference.
Philad'a & Read. R. R	1,246,875.18	1,174,452.09	Inc. 72,423.09	10,687,453.06	10,545,064.03	Inc. 142,389.03
Lehigh Valley R. R	627,332.16	660,544.16	Dec. 33,212.00	5,587,536.15	5,478,388.02	Inc. 109,148.13
Del., Lack. & W. R. R	529,108.17	528,237.91	Inc. 871.06	4,694,388.19	4 598,890.01	Inc. 95,498.18
Del. and Hud. Canal Co	349,844.07	384,867.01	Dec. 35,022.14	3,216,854.04	2,983,659.00	Inc. 233,195.04
Pennsylvania R. R	312,204.03	308,964.02	Inc. 3,240.01	3,190,325.06	3,092,337.11	Inc. 97,987.15
Penn'a Coal Co	146,528.03	159,086.01	Dec. 12,557.18	1,287,204.00	1,355,043.13	Dec. 67,839.13
N. Y., L. E. & W. R. R	65,742.07	62,964.01	Inc. 2,778.06	661,249.15	573,322.03	Inc. 87,927.12
Total	3,277,636.11	3,279,116.01	Dec. 1,479.10	29,325,012.05	28,626,704.13	Inc. 698,307.12

The stock of coal on hand at tide-water shipping points, November 30th, 1886, was 393,202 tons; on October 31st, 1886, 440,962 tons; decrease, 47,760 tons.

JOHN H. JONES,
Accountant.

ROOM 12, NO. 227 SOUTH FOURTH STREET,
Philadelphia, December, 1886.

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123 ANTHRACITE COAL TONNAGE.

Statement of anthracite coal tonnage for month of December, 1885, compared with same period last year.

[This statement includes the entire production of anthracite coal, excepting that consumed by employés, and for steam and heating purposes about the mines.]

	December, 1885.		December 1884.	Difference.		
Philad'a & Read. R. R	1, 135, 716. 93	37. 90	881, 748. 10	Inc.	253, 967. 13	
Lehigh Valley R. R	629, 056. 12	20. 99	505, 270. 13	Inc.	123, 785. 19	
Del. Lack. & W. R. R	388, 944. 06	12. 98	476, 375. 12	Dec.	87, 431. 06	
Del. & Hud. Canal Co	318, 214. 09	10. 62	295, 174. 05	Inc.	23, 040. 04	
Pennsylvania R. R	301, 347. 10	10. 05	242, 114. 19	Inc.	59, 232. 11	
Penn'a Coal Co	145, 642. 05	4. 86	131 018 11	Inc.	14, 623. 14	
N. Y., L. E. & W. R. R	77, 903. 18	2. 60	*137, 736. 03	Dec.	59, 832. 05	
Total	2, 996, 825. 03	100. 00	2, 669, 438. 13	Inc.	327, 386. 10	12. 26

	For year 1885.		For year 1884.	Difference.		
Philad'a & Read. R. R	11, 680 780. 06	36. 94	11, 163, 920. 01	Inc.	516, 860. 05	4. 63
Lehigh Valley R. R	6, 107, 444. 14	19. 31	5, 935, 254. 10	Inc.	172, 190. 04	2. 90
Del. Lack. & W. R. R	4, 987, 834. 07	15. 77	5, 204, 361. 16	Dec.	216, 527. 09	4. 16
Del. & Hud. Canal Co	3, 301, 873. 09	10. 44	3, 362, 679. 16	Dec.	60, 806. 07	1. 81
Pennsylvania R. R	3, 393, 685 01	10. 73	3, 169, 287. 03	Inc.	224, 397. 18	7. 08
Penn'a Coal Co	1, 500, 685. 18	4. 75	1, 397, 945. 15	Inc.	102, 740. 03	7. 35
N. Y., L. E. & W. R. R	651, 226. 01	2. 06	523, 546. 08	Inc.	127, 679. 13	24. 39
Total	31, 623 529. 16	100. 00	*30, 756, 995. 09	Inc.	866, 534. 07	2. 82

*Corrected statement of the tonnage of N. Y., L. E. & W. R. R. for 1884 increases the total production for that year 38,702 tons. In addition, 46,247 tons, which was included in the tonnages of other interests for 1884, is claimed as chargeable to that company.

The stock of coal on hand at tide-water shipping points, December 31st, 1885, was 754,545 tons; on November 30th, 670,403 tons; increase, 84,142 tons. The amount on hand December 31st, 1884, was 874,681 tons.

Of the total production in 1885, 16,236,470 tons, or 51.34 per cent, was from the Wyoming region; 5,898,634 tons, or 18.65 per cent. from Lehigh region, and 9,488,426 tons, or 30.01 per cent. from Schuylkill region.

Eastern competitive tonnage, including all coal which for final consumption or in transit, reaches any point on Hudson River or the Bay of New York, or which passes out of the capes of the Delaware.

	Tons.
1885	11, 956, 587
1884	12, 009, 855

JOHN H. JONES,
Accountant.

NO. 227 SOUTH FOURTH STREET,
Philadelphia, January, 1885.

124 Q. Where is the Pennsylvania Coal Company located?

A. The Pennsylvania Coal Company's collieries are located between Scranton and Wilkesbarre. I think they have one or two collieries below Pittston. I was going to say all were between Scranton and Pittston.

Q. It has a railroad of its own?

A. It did have a railroad of its own until recently, and I am not able to say how far it is connected with the railroad which takes its place.

Q. What railroad was that?

A. They formerly operated a gravity railroad between Pittston and Hawley in connection with the New York, Lake Erie and Western Railroad, and the Erie Canal. That has, however, recently been abandoned, and a new road called the Erie and Wyoming Railroad has been built to take its place, not exactly upon its line, but to take its place; one being a gravity road and the other a locomotive road.

Q. It has no connection with the Pennsylvania Railroad Company at all?

A. No, sir; not that I am aware of, either physically or geographically.

Q. Or in its management?

A. That I know nothing about. I presume not.

Q. We desire you to produce a complete statement of your statements, running to the time the organization was formed in December, 1884?

A. I will do so.

Q. With whom did you have occasion to correspond with reference to your duties as accountant and statistician?

A. I communicated verbally with Mr. Joseph S. Harris. I have no relations with anybody else particularly in that position, excepting so far as to receive the reports and correct clerical errors that might occur.

Q. Did you have occasion to visit them to adjust reports and accounts?

A. Occasionally that would occur.

Q. Have you any correspondence at all between yourself and any one else in the conduct of this association, or with respect to your duties?

125 A. I have correspondence relating to the figures themselves simply as a clerical matter. I have not got it here.

Q. Have you any as to quotas, or apportionments, or proportions, or allotments?

A. I wrote the letters to each of the interests each month, and signed Mr. Harris's name to them.

Q. Making monthly allotments?

A. Announcing the allotments as they were arrived at upon the basis of percentages. Mr. Harris would announce to me the amount that was supposed to be necessary for the month, and I would divide that in the allotment percentages according to the data I had and notify the various interests.

Q. Will you please produce that correspondence?

A. I have the letter books here with the original letters. I have made copies of each particular form that we used during the whole period, beginning in February, 1885. These copies were sent to each one of the interests named.

(Witness produced copies of forms of letters.)

Q. I do not care about all the letters, one after another, as this shows the form; but we would like to know the allotment to each company for each month during this period of two years. Can you give us that information?

A. Do you mean the amount that was allotted to each company for each month during the period?

Q. Yes.

A. I have not got it in tabulated form. I can give you the statement.

Q. If you prefer to put it in tabulated form you can do that, and give it to us in a statement.

A. I will do so.

Q. Have you any correspondence of any kind with respect to the price of coal?

A. None whatever.

Q. Any circulars?

A. None whatever.

Q. Did you notify any parties as to the price of coal at any time?

A. No, sir; never at any time.

126 Q. Was any action taken by either the Anthracite Association, or its allotment committee, or any other committee, or officer, or by you, with respect to prices or values of coal?

A. So far as I am concerned, I can answer no. So far as the others whom you have named are concerned, I know nothing about their actions. I never had any meeting with them, and I know nothing about it.

Q. How has the price of coal been regulated during the past two years?

A. I could not tell you.

Q. What other correspondence have you?

A. As I tell you, I have correspondence here relating to the details of our figures. Sometimes a clerical error would occur, or something like that.

Q. Mere questions of clerical mistakes?

A. Yes, sir. They are simply little matters that occur every day.

Q. Have you any correspondence with respect to these cases, or any of these cases of adjustments of accounts between the different companies?

A. Yes, sir; I think there might be something of the kind here.

Q. I should like you to produce any letters of that character.

A. I would have to go over and pick them out.

Mr. GENDELL. You can do that at your leisure.

(Copies of letters already produced by the witness offered in evidence and marked Exhibit No. 4.)

Q. Have you any statistics or record in any shape of the amount of coal produced by the various producers as distinguished from that produced or shipped over these half dozen lines of railroad and canal?

A. Not any that I know of.

Q. Can you tell us how much the Philadelphia and Reading Coal and Iron Company produces, or has produced within a given period, or shipped?

127 A. I am not able to give you that information without referring to their account, and I have not got that with me. The Philadelphia and Reading Coal and Iron Company's tonnage, as such, I have nothing to do with.

Q. How many roads and which of them, and how many interests and which of them, report to you who the producers are and the amount of the production by each?

A. The Delaware and Hudson Canal Company, I believe, are the only ones which report that, and they do it for their own convenience. I do not think I ever asked them to. They simply took that form, or officially made that form to satisfy themselves.

Q. The Pennsylvania Railroad Company's return shows the amount produced by them and by other producers as a whole apart from them?

A. I do not know them as producers of coal at all.

Q. What is the meaning in their return of the entries the Pennsylvania Railroad, and the entries "other shippers?"

A. I understand that to mean that the tonnage stated here is tonnage that is controlled by the Pennsylvania Railroad. That is to say, their coal interests—the coal interests which are controlled by the Pennsylvania Railroad, and the other tonnage is that of shippers who are not controlled by the Pennsylvania Railroad.

Q. What do you mean by "controlled by the Pennsylvania Railroad?"

A. Their corporations are controlled by the railroad.

Q. Corporations of which they own the stock?

A. I am not familiar enough with the detail to answer those questions of my own knowledge. I simply know current rumor.

Q. What do you mean by "not controlled?"

A. That the mining operations are in no way connected with the Pennsylvania Railroad Company's organization.

Q. These returns are made to you by half a dozen interests, or thereabouts, and as we understand from prior witnesses, each of those returns includes a number of different producers? Take the case of your own company, the Philadelphia and Reading Railroad Company, and state, as far as you can, what producers or what different interests ar included in the same return.

128 A. In the statement of the Philadelphia and Reading Railroad Company up to this time, the tonnage originating upon the Lehigh and Susquehanna Railroad, and the tonnage originating on the tracks of the Philadelphia and Reading Railroad, were included as their tonnage.

Q. Is the Philadelphia and Reading Railroad Company, as such, a producer of coal?

A. Not to my knowledge.

Q. It owns all of the stock of the Philadelphia and Reading Coal and Iron Company, does it not?

A. I am not prepared to answer that. I do not know of my own knowledge what the relations are, excepting, by common rumor, they control that corporation.

By Mr. CASSIDAY:

Q. That is the general understanding among railroad and mining people?

A. Yes; that is the understanding.

By Mr. GENDELL:

Q. Is there a considerable amount of coal produced near and shipped over the lines of the Philadelphia and Reading Railroad Company which is not produced by any company controlled by that railroad?

A. I hardly think I understand your question.

Q. Are there not many individual operators and corporations producing coal which is shipped over the lines of the Philadelphia and Reading Railroad Company who are not directly controlled by that corporation?

A. I understand there are individual operators who are not controlled by the Reading Railroad Company or the Reading Coal and Iron Company who ship coal over the Reading Railroad.

Q. How is the productive quota allotted to that company controlled and divided among the various producers?

A. I am not able to answer. I do not know.

Q. What measures can that company, as an illustration of the various companies included in this organization, take to restrict the production of coal by a large number of operators and miners to the amount allotted to that company?

129 A. Did you say what measures can they take, or what measures did they take?

Q. I will ask you both questions.

A. There are a good many ways in which they could restrict it, I suppose, if they wanted to.

Q. It can be done?

A. It undoubtedly could be done.

Q. What measures did they in fact take?

A. I know nothing about that. I can not tell you. It does not come into my province in any way.

Q. What is the maximum capacity of production of the collieries which naturally ship over the Philadelphia and Reading Railroad Company's lines, including the Lehigh and Susquehanna?

A. I would not be able to say.

Q. What is the maximum capacity of the entire anthracite region?

A. That is simply a matter of opinion and surmise. Nobody knows exactly what it is.

Q. What is your best opinion on the subject?

A. My opinion, is about 45,000,000 tons, everybody working to their full capacity, which is almost a physical impossibility. But then I say if everybody did work to their full capacity with all the mines now open, I suppose they could produce 45,000,000 tons.

Q. Suppose there were a market for any quantity which could be produced, what would be the full capacity which they could fairly be expected to produce?

A. I say it is a physical impossibility to produce 45,000,000 tons, and therefore I think it is beyond their capacity. Well, I would say about 40,000,000 tons.

Q. With the present openings?

A. With the present openings as we know them.

Q. There would be no difficulty in increasing the capacity by new openings?

A. I should think not. There are plenty of coal lands. I presume there are no difficulties in that respect.

Q. There are plenty of coal lands held by large corporations, are there not?

130 A I could not answer that question. I presume they do own large quantities of coal lands.

Q. There is no reason so far as you know, why the capacity could not readily be made 60,000,000 tons, or even more if the demand were to require it, is there?

A. I should suppose not. I do not see why there should be any limit to it, if there was somebody to buy it. It is a matter of development and expenditure.

Q. How much anthracite coal is consumed yearly in the city of Philadelphia?

A. 2,100,000 tons.

Q. How does the cost of coal in Philadelphia compare with its cost in New York City?

A. I am not familiar with that subject. I can not answer of my own knowledge.

Q. Have you any knowledge with respect to the amount of the consumption of anthracite by iron furnaces?

A. Well, it is only in a general way. To arrive at anything definite I would be obliged to compile it.

Q. Can you give it in a general way from your present knowledge?

A. No; I can not, to be of any value.

Q. Could you compile separately the amount of the consumption for each of the last four years?

A. No; it would be a matter that depended upon the willingness of the other parties to furnish me with the information. Each railroad company knows its own distribution of that character upon its own lines. It would be necessary for me to get the figures from them. I am not sure that I could do so.

Q. Can you give us a general idea of it from your general knowledge?

A. No, I would not want to state any figures in regard to it. I think it is available, and can be had at any time by examining the statistics.

Q. You have attended the meetings of the allotment committee of the Anthracite Association?

A. I never attended any.

131 Q. Have you any other notices or circulars of any kind or kinds sent out by you to the various members of the Anthracite Association besides those you have produced?

A. None at all; none whatever.

Q. Do you notify them when their quota is full and direct them to suspend?

A. Those letters embrace that information that I have already furnished.

Q. You, therefore, might have notified them to suspend?

A. No, never did that; simply notified them of the condition of their account, stating that it was over or under the allotment up to date, and that is so stated.

Q. Do you know whether they did or did not suspend, as the result of those notifications?

A. I do not know of my own knowledge.

Q. To whom are they sent?

A. They are sent to the presidents of the companies which are on this statement.

By Mr. **Snodgrass**:

Q. That is, to the railroad companies?

A. The railroad companies.

Q. Transportation companies?

A. Transportation companies.

By Mr. **Cassidy**:

Q. The notice to them would simply be that the amount of the allotment was such and such an amount, they having exceeded it or come under it?

A. That was all.

By Mr. **Gendell**:

Q. All of these companies that are members of the association and which report to you have railroads, have they not?

A. Yes; certainly.

Q. And all of them have some railroad within the Commonwealth of Pennsylvania, have they not?

A. Yes; I think so.

By Mr. **Olmsted**:

Q. I think you stated that the Pennsylvania Coal Company has not?

132 A. And the Erie and Wyoming. I was in doubt for a moment about the New York, Lake Erie and Western. They do come into Pennsylvania, I think, by an arrangement with another road.

By Mr. **Gendell**:

Q. All the anthracite coal-fields are in the Commonwealth of Pennsylvania, are they not?

A. So far as I know. All that we know.

Q. All those that are worked?

A. Yes, sir.

Q. And the various transportation companies that have been mentioned and are parties to this association, practically cover the entire anthracite field?

A. They do.

Q. And with the roads under their control, carry all the anthracite coal that is carried by rail, do they not?

A. Yes, sir.

Q. And perhaps, if the Lehigh Coal and Navigation Company be considered as entirely included with the Lehigh and Susquehanna Railroad, they include all the transportation companies which carry coal in any way, do they not?

A. No, sir; they do not. There are other transportation companies that carry coal, but not originally, not as an initial line. These are the initial lines.

Q. They cover all those which carry coal from the mines?

A. Of course the coal from these mines is distributed among the railroads.

By Mr **Snodgrass**:

Q. They all carry coal from the initial point where the coal traffic originates?

A. Yes, sir.

By Mr. **Gendell**:

Q. What was the apportionment of coal in tons and percentage among those various companies for the year 1885?

A. The allotment, so far as I have any knowledge of it for 1885, was based upon 30,000,000 tons originally. It was understood by some parties to have been increased 1,000,000 tons during that year, commencing, I think, in June. I have
133 understood that that construction was not generally so understood. 30,000,000 tons was the amount allotted in 1885.

Q. And the extra million was known among the parties as the floating million?

A. Well, it has been so called; yes. The fighting million, rather. I have been told by some parties connected with the interests that they did not understand that that fighting million was to be mined, but the others understood that it was. I do not know anything about the deliberations of the committee, and therefore know nothing of what the understanding really was.

Q. Give us the apportionments?

A. The apportion of each company for each month?

Q. No; the amount awarded for the year to each company in percentage and tons.

A. Well, I will give it to you, including the 1,000,000. I just happen to have it made up in that shape. I will give it to you the other way if you want it. The Philadelphia and Reading Company was 38.85 per cent.; the Lehigh Valley was 19.60 per cent.; the Delaware, Lackawanna and Western was 16.05 per cent.; the Delaware and Hudson Canal Company was 11 per cent.; the Pennsylvania Railroad Company was 8 per cent.; the Pennsylvania Coal Company was 5 per cent.; the New York, Lake Erie and Western was 1½ per cent. The total amount for the year allotted to each under the 31,000,000 tons basis, would be: Philadelphia and Reading Railroad Company, 12,043,499 tons; Lehigh Valley Railroad, 6,075,999 tons; Delaware, Lackawanna and Western Railroad Company, 4,975,500 tons; Delaware and Hudson Canal Company, 3,410,002 tons; the Pennsylvania Railroad Company, 2,479,999 tons; the Pennsylvania Coal Company, 1,550,000 tons; the New York, Lake Erie and Western Railroad Company, 465,002 tons.

Q. Give us the apportionment for 1886.

A. The allotment for the year 1886 probably requires a little explanation. The allotment was not handed to me as an allotment until the 1st of April. In other
134 words, I was not given the account until April. It continues until April 1st, 1887, so thatthe same months are not involved in the apportionment.

Q. The same months except that three months are transferred to 1887, is that not so?

A. There appears to have been no allotment or no understanding, so far as my accounts are concerned, prevailing for the first three months of 1886, so that the account I shall give you now embraces the twelve months ending March 31st, 1887.

Q. Was any instruction given to you with respect to the allotment for 1885 continuing until April 1st, 1886?

A. No, sir; excepting that I saw a copy of what appears in the evidence of Mr. Harris, stating that the agreement of 1885 was to continue to March 31st, 1886.

Q. You saw a copy of what?

A. In the testimony of Mr. Harris I saw a copy of the minutes of the meeting of the committee which I did not attend, and know nothing about it otherwise.

Q. And you had no knowledge of it then until you saw Mr. Harris' testimony?

A. Well, not authoritatively. It was so understood. In talking of the subject we understood that it was to last until March 31st.

Q. Give us the 1886 figures.

A. I was told that the Pennsylvania Railroad Company did not accept a percentage allotment, but accepted a tonnage allotment.

Q. Who so told you?

A. Mr. Harris, and that they would be governed by whatever that arrangement was, which is 3,500,000 tons. The total output for the year which I have named was set down to be 33,500,000 tons, upon which percentages were made based upon 30,000,000 tons, and allowing the Pennsylvania Railroad a specific amount instead of a percentage apportionment. The reason why I make that statement is because it makes two sets of percentages; that is all. So you will know when I give you the percentages that they relate to two different conditions of affairs.

135 Q. I do not understand you exactly. Do you mean to say that you set apart 3,500,000 tons for the Pennsylvania Railroad Company first, and then divided the rest into a 100 per cent?

A. We did. That is, we did that for our own convenience. Then I took for my own convenience the 3,500,000 tons, and ascertained what percentage that was of the total amount, and apportioned that to the Pennsylvania Railroad, and divided the balance upon the 100 per cent., and I can give you both.

Q. Then your two lists of percentages, as I understand, are these: One list dividing 100 per cent. of 30,000,000 tons among all the companies other than the Pennsylvania Railroad, and the other list dividing 100 per cent. among all including the Pennsylvania Railroad?

A. Precisely; yes, sir.

Q. Give us both, then.

A. The percentage based upon 30,000,000 tons would be as follows: The Philadelphia and Reading Railroad, 42 per cent.; the Lehigh Valley Railroad, 21 18 per cent.; the Delaware, Lackawanna and Western Railroad, 17.355 per cent.; the Delaware and Hudson Canal Company, 11.895 per cent.; the Pennsylvania Coal Company, 5.40 per cent.; the New York, Lake Erie and Western Railroad Company, 2.17 per cent. Based upon the allotment of 33,500,000 tons, and calling 3,500,000 10.45 per cent., the percentages would be as follows: The Philadelphia and Reading Railroad, 37.60 per cent.; the Lehigh Valley Railroad, 18.97 per cent.; the Delaware, Lackawanna and Western Railroad, 15.54 per cent.; Delaware and Hudson Canal Company, 10.65 per cent.; Pennsylvania Railroad Company, 10.45 per cent.; Pennsylvania Coal Company, 4.84 per cent.; New York, Lake Erie and Western Railroad Company, 1.94 per cent.

Q. Give the tons.

A. I forgot to mention those as I went along. The Philadelphia and Reading Railroad Company, 12,600,000 tons; the Lehigh Valley Railroad Company, 6,354,000 tons;
the Delaware, Lackawanna and Western Railroad Company, 5,206,500 tons;
136 the Delaware and Hudson Canal Company, 3,568,500 tons; the Pennsylvania
Railroad Company, 3,500,000 tons; the Pennsylvania Coal Company, 1,620,000
tons; the New York, Lake Erie and Western Railroad Company, 651,000 tons.

(Copy of bill shown witness.)

Q. Are those two tables on pages 4 and 5 correct?

A. Yes, they are correct, I think.

Q. You have prepared a series of diagrams and papers showing the production of anthracite coal for a long series of years, have you not?

A. Yes, sir.

Q. Is that in print?

A. Yes, sir; I am sorry to say, however, that the edition is exhausted. I have a copy or two, I believe, at home.

Q. Can you furnish us with one copy of it?

A. I think I can.

(Diagram and tables of yearly production shown witness.)

Q. Is that one?

A. That appears to be a copy.

(Same marked for identification "F, January 8, 1887, E. B. M., J. I. C.")

Q. I think your answer covered this question originally, but to make sure about it I will ask you again. The various returns which you produced are all for the same month. Does each company follow that same form every month?

A. They do substantially.

Q. And has substantially followed it for the last two years?

A. Yes, sir.

Q. Do you know the Western Anthracite Coal Association.

A. Well, I can't say that I do personally. That is, of my own knowledge. I know there is a meeting occasionally held which is announced in the newspapers as the Western Anthracite Coal Association. Beyond that I know nothing about it.

Q. Where are its meetings held?

A. At various places, according to the circumstances. No regular place of meeting.

Q. Do you receive returns from them?

137 A. None at all.

Q. Do you receive returns of stock at Buffalo and other or similar places in the West?

A. Not officially. I gather statistics for my own information wherever I can find them, but there is no official data particularly.

Q. Where do you gather data as to the coal at those points?

A. Well, from different parties. Sometimes I get it through the board of trade at Buffalo, and sometimes through statistics that are published by the various local coal interests, and in any way that seems to me practical at the time. It is not official, and I have got to use my judgment in using it in the shape I get it.

Q. What companies are comprised in that association?

A. I do not know.

Q. When you speak in your tables and otherwise of stocks of coal at tide-water, what stocks of coal are meant by you? Those on the Atlantic tide-water?

A. On the Atlantic tide-water points. I receive statements from each of the companies of the coal they have at their particular shipping points.

Q. You do not consider the great lakes as the tide-water?

A. We do not.

Q. Only on the Atlantic?

A. Yes, sir.

Q. What is the aggregate capacity of storage on the Atlantic tide-water ports?

A. Well, that is a matter that is not definitely fixed by figures. I should say probably a million tons of coal, or a little over; a million tons of coal.

Q. Has it at any time been larger?

A. Has the capacity for storage been larger than that?

Q. Yes.

A. I think not, at any time. I think we have more storage room on the Atlantic coast now than we ever had.

Q. I understand your answer to be confined to the Atlantic tide-water ports, and to be exclusive of those at Buffalo and other ports on the Lakes?

138 A. Yes, sir.

Q. Can you give an idea of the proportion of the production marketed in the West?

A. Yes; I think I can. I have made it up in the way I suggest. I gathered it up from any source that I could get it, entirely unofficial, but it is as near the truth, perhaps, as we should be able to get without a direct canvass of the territory; 3,029,385 tons in 1835, west of Buffalo and Pittsburgh.

Q. Not including Buffalo and Pittsburgh?

A. The Buffalo market is always considered a western market, because the greater amount of coal that goes to Buffalo is shipped west from there.

Q. Then is the consumption in Buffalo included in this?

A. I have understood that the consumption in Buffalo is not included in the figures I gave.

Q. Have you any record of the storage capacity in the West?

A. I have not.

Q. Or at the lake ports, including Buffalo?

A. I have not.

Q. Have you any idea of it all?

A. I have never made an estimate of it.

Q. Does it exceed that of the Atlantic coast?

A. Well, the territory is very large, and I could hardly answer the question intelligently. Taking all the lake ports it is something that would require some little canvassing to get an idea of it.

Q. If the coal operators shipping by way of the Philadelphia and Reading Railroad were notified in the midst of the month of July that their quota for that month, would be filled on Wednesday, the 25th of that month, for instance, who would notify them of that?

A. I do not know.

Q. Would you?

A. No, sir.

Q. Would you notify the railroad company?

A. No, sir.

139 Q. Who would notify it?

A. I would simply send out those letters that I have given there stating that they had exceeded or fallen below their allotment for the month, and the balance would be chargeable to or deducted from the production of the following month.

Q. Who did you notify?

A. The presidents of the companies usually.

Q. In the case of the Philadelphia and Reading Railroad Company, who would you notify?

A. The receivers or the president, as the case might be.

Q. Since the appointment of the receivers, would you notify the receivers?

A. I would notify the receivers; yes, sir.

Q. Did you have occasion to give them such notice? You have said that you would notify the receivers. Did you in fact notify them?

A. What sort of notice do you refer to?

Q. That their quota was filled or about to be filled?

A. I believe I stated that I gave no notice of that fact at all to any one. I simply announced when the accounts were made up the condition of their accounts, and left the remainder to somebody else. They arranged the matter amongst themselves. I know nothing about it.

Q. Did the notice to the receivers at any time show that their quota for the time being was filled?

A. Oh, yes.

Q. What action was taken by them when they received such notice?

A. I am not able to state.

Q. Were the shipments in fact checked?

A. I do not know.

Q. What are the Lehigh and Schuylkill Coal exchanges?

A. I know nothing about them except by common rumor. I never attended a meeting, and I do not know who attended them. In a general way I hear that sales agents meet together, but I know nothing about it at all.

Q. What is the Philadelphia Anthracite Association?

A. I do not know of any such association.

140 Q. Or any association with a similar title?

A. No, sir.

Q. As to the allotments, the figures which you gave us a few moments ago, were they intended to include the entire production of anthracite coal in the Commonwealth?

A. They were.

Q. Have you known of meetings of the representatives of various railroad companies or transportation companies to consider the question of the rates of toll on coal?

A. I have.

Q. When and where?

A. I am not able to state just when and where. I myself have attended meetings where the subject of rates and tolls was discussed.

Q. Who were present at those meetings?

A. Generally the representatives of the railroad companies who have to do with the subject of coal rates.

Q. The representatives of all the railroad companies that transport coal to Philadelphia?

A. Yes, sir.

Q. Including the receivers of the Philadelphia and Reading Railroad Company?

A. Yes, sir.

Q. Where were those meetings held?

A. Well, I have attended meetings at Mr. Joyce's office, at the Pennsylvania Railroad Company's office, and, I think, Mr. Wilson's office.

Q. Who are Mr. Joyce and Mr. Wilson?

A. Mr. Joyce is the coal traffic agent of the Pennsylvania Railroad Company, and Mr. Wilson is the general freight traffic agent of the Pennsylvania Railroad Company.

Q. Where else have you attended meetings?

A. Well, I think I have attended meetings of some of the parties, or parties similarly interested, in Mr. J. Lowrie Bell's office, who is the general traffic manager of the Philadelphia and Reading Railroad.

Q. During the year 1886?

A. I can not tell. I can not remember just when those meetings were held. I can ascertain them.

141 Q. Who were present at those meetings?

A. Generally the officers of the railroad companies whose business it was to regulate and establish the freight rates.

Q. Of what railroad companies?

A. Those represented at the meetings: the Pennsylvania Railroad Company, the Lehigh Valley Railroad Company, the Philadelphia and Reading Railroad Company; and that was all, unless it was at a time when the New Jersey Central was a separate organization, and then their parties would be there.

Q. Any representative of the Lehigh Coal and Navigation Company?

A. Yes, sir; the Lehigh Coal and Navigation Company had a representative there usually.

Q. How did they regulate freight rates?

A. Well, that is a matter entirely of the Philadelphia and Reading Railroad Company. I want it distinctly understood that these questions relating to rates have nothing whatever to do with my capacity as statistician for the coal trade. That is a distinct and absolutely separate affair, and I would very much prefer that the information in respect to coal rates would be taken from Mr. J. Lowrie Bell, my superior officer. I acted entirely under his direction in the matter of coal rates for the Philadelphia and Reading Railroad Company. Nothing was done upon that subject without his knowledge and direction.

Q. What are your duties in connection with the Philadelphia and Reading Railroad Company?

A. Simply to attend to the details of the rating of coal; to act in that capacity under the direction of the general traffic manager.

Q. Still as a witness, apart from your authority, you have knowledge on the subject?

A. I have, of course.

Q. Who represented the Philadelphia and Reading Railroad Company at those meetings?

A. Whenever it was practicable Mr. Bell represented the Philadelphia and Reading Railroad Company, and sometimes I did myself under his direction.

142 Q. Who represented the Pennsylvania Railroad?

A. Sometimes Mr. Wilson was present and sometimes Mr. Joyce, and sometimes both.

Q. Who represented the Lehigh Valley Railroad?

A. Mr. John Taylor usually represented the Lehigh Valley.

Q. What is his position?

A. He is known as general traffic manager of the Lehigh Valley Railroad.

Q. And who represented the Lehigh Coal and Navigation Company?

A. Mr. Hill usually represented the Lehigh Coal and Navigation Company.

Q. Who is he?

A. He is in charge of the coal sales department, I believe, of that company. I think his title is general coal agent, or general sales agent, I am not really certain.

Q. Those were the only companies?

A. Those were the only companies.

Q. What action was taken by them at their various meetings?

A. The question of freight rates upon anthracite coal was generally discussed and rates for the different railroads established.

Q. And a rate agreed upon for the various companies on coal to Philadelphia?

A. Yes, sir; usually agreed upon.

Q. And the rates thus agreed upon were carried out by the various companies?

A. Well, they were made and placed upon tariffs for the government of the trade, and how far they were carried out were matters that each company controlled themselves. They were very frequently not carried out.

Q. Have you a list of the various tariffs?

A. No, sir; I have not.

Q. Have you a copy of any of the tariffs?

A. No, sir.

Q. When did you last meet with them?

143 A. I can not at this moment say when the last meeting was held. I must look for that, too. Those matters I did not impress my memory with, and I have, of course, data which will refresh it when I can get where I can see them.

Q. To the best of your recollection?

A. My impression is that we have not met together for three or four months. Four or five months, perhaps.

Q. In the meantime the tariffs fixed at that meeting were supposed to rule?

A. Supposed to rule; yes, sir.

Q. Did Mr. Roberts, of the Pennsylvania Railroad, ever attend any of those meetings?

A. Not to my knowledge.

Q. Was the price of coal discussed at any of those meetings?

A. Not as affecting it in any way at all. We, of course, were cognizant from time to time of the prevailing condition of the market, and prices of coal were discussed as a subject bearing upon the matter of rates, but only as we could get information of the market. We had nothing whatever to do with the price of coal at all.

Q. Were they discussed in the aspect of the freight rates affecting prices?

A. I do not quite understand the question.

Q. Were the prices of coal in Philadelphia discussed by you at either of these meetings in the light of being affected by rates of transportation?

A. It would be very difficult to discuss it without having a bearing one upon the other. It is hard to answer it specifically, but the two subjects properly belong to each other.

Q. Were efforts made during the past summer or autumn to advance freight rates?

A. There was an effort made to advance freight rates, I think about the last meeting we had. I am not positive about the date, but I think about the last meeting we had.

Q. About September?

A. Well, I could guess at it, of course, but it was about the last meeting we
144 had.

Q. In fixing the rates of toll to Philadelphia on coal were the rates to be charged to be the same without regard to the question of the ultimate destination of the coal?

A. I do not quite get the question.

Q. Was there a distinction made between purchasers and consumers in Philadelphia, and persons purchasing for shipment beyond?

A. The rates and toll for coal delivered in Philadelphia were established upon a fixed basis; so many dollars and so many cents per ton from Schuylkill Haven to Philadelphia, which included of course the delivery in Philadelphia to any yard accessible to the tracks. The coal which was intended for shipment was taken to Port Richmond and the rates adjusted upon the price at which the coal sold f. o. b. the vessel; that is free on board the vessel.

Q. Were those rates the same?

A. They were not always the same.

Q. What were the two rates?

A. I think that information ought to be secured from the person who has charge of those rates. I think he could answer them a great deal more intelligently than I could myself.

By Mr. Cassidy:

Q. If you know them?

A. I had the rates. That is, they were within my knowledge, of course, but they are subjects for the general traffic manager to state, I should say. I acted entirely under his authority.

By Mr. Gendell:

Q. We are not questioning or discussing your action at all, but merely trying to get information from you as we might from any other stranger. What are the rates to-day for each character of shipment?

A. The rates of transportation from Schuylkill Haven, which is our shipping point from which the rates are regulated, for general distribution in Philadelphia is $1.50 per ton for all sizes above pea coal, and for pea coal and smaller sizes, if there are any, twenty cents a ton less.

Q. To Port Richmond?

145 A. To Port Richmond the rates, as I say, are established upon the selling prices of coal, and they vary with every sale that was made. There is an average price that we get from the figures at the end of the month, and can tell pretty nearly what the average rate was.

Q. Give us that to the best of your knowledge.

A. What particular period do you wish to cover?

Q. What is it now?

A. The average rate from the mines to Port Richmond for coal consigned outside of the capes of the Delaware during the month of November, which are the last figures I have, was one dollar and twenty-nine cents and seven hundred and five one-thousandths of a cent. That is the rate of transportation from the mines to Port Richmond.

Q. Port Richmond is inside of Philadelphia, is it not?

A. We so understand it geographically. Yes, it is.

Q. It is the shipping port for coal from Philadelphia on the Delaware River?

A. Yes, it is. Now we have another process by which we arrive at rates to points along the river front, which we call our harbor rate.

Q. What is that?

A. That is, we take the rate from Schuylkill Haven to Philadelphia points delivered in the yards, and we equalize the rate to Port Richmond, taking into the account the water transportation back to the point of delivery, and a drawback is allowed covering that expense. The result reached is that the coal delivered by water to a yard in Philadelphia would be exactly the same freight rate as the coal delivered by rail.

Q. Within Philadelphia?

A. Within Philadelphia. That only applied to what we call our harbor business.

Q. And the harbor business is restricted to the limits of the city of Philadelphia?

A. Well, we have usually construed it to embrace the territory within the capes of the Delaware.

146 Q. Would you deliver coal to a point on the Delaware River or one of the smaller streams emptying into it at the same rate that you delivered it in Philadelphia?

A. No, sir. Would we deliver it?

Q. Yes.

A. We didn't deliver coal beyond Port Richmond. The expenses beyond Port Richmond were all matters of adjustment by the shipper himself as to the rates of transportation to do the best he could.

Q. Then would you deliver coal free on board on vessels on the Delaware River at such a rate that the coal would be delivered to the purchaser at any town on the Delaware River or streams emptying into it at the same price that it would be delivered by you in Philadelphia?

A. No, sir; we would not. That is to say, we would apply the same drawback to that coal, although their transportation expenses were very much greater. The water transportation to a point—take, for instance, Salem, New Jersey, or any point down through the harbor—the transportation from Port Richmond to the point of destination by water would be so much greater than the transportation from Port Richmond to a point within the limits of the city of Philadelphia or Camden that that would increase the price of coal to that extent, whatever that difference in transportation was, because the basis of establishing the freight rate to Port Richmond was the same upon all coal whether it went to Philadelphia proper or to the points that I named.

Q. What is the price at which you delivered it free on board at Richmond for such consumption?

A. That does not come within my personal knowledge.

Q. Then in order that I may get what information you have already given us, and any other that you can give together, let me ask you what are the rates of delivery for a ton of coal in Philadelphia at Port Richmond for shipment within the capes of the Delaware, and at Port Richmond for shipment beyond the capes of the Delaware, free on board in both cases?

A. I have given you already the rate to Port Richmond.

Q. Put them together.

147 A. The rate to Port Richmond from Schuylkill Haven on coal delivered within

the harbor was one dollar and ten cents absolutely. We make a drawback of forty cents from our regular Port Richmond rate, which is one dollar and fifty cents.

Q. That includes free on board?

A. No, sir; it does not. There is an additional expense of fifteen cents for putting on board in all cases. None of the rates that I have named to you include the putting on board of coal.

Q. And what for outside of the capes of the Delaware?

A. I gave you those figures a moment ago; one dollar and twenty-nine cents and seven hundred and five one-thousandths.

Q. And for the city of Philadelphia?

A. One dollar and fifty cents. Bear in mind that these rates do not cover the rates of transportation from the same point. The rates of transportation I give you for the points outside of the capes of the Delaware are the rates of transportation which accrue to the coal absolutely from the mines to Port Richmond; from the mines, understand, while the rates of transportation which I have named for the harbor and for local distribution in Philadelphia, cover only the transportation from Schuylkill Haven to the point of destination, and there are lateral tolls, varying from fifteen to forty-five cents, according to location of the colliery, in addition.

Q. What is the average?

A. I suppose about thirty cents, probably.

Q. That, then, to equalize as between the city trade and the shipping trade should be deducted from the charge at Port Richmond?

A. I do not understand you.

Q. Your charge for the city trade is from Schuylkill Haven only?

A. That is the rate that I gave you.

Q. The rate as you have given it for shipment beyond the capes of the Delaware is from the mines?

A. It is.

148 Q. And the average charge on the lateral railroad is about thirty cents?

A. I say about thirty cents. It is an indefinite figure. We can hardly arrive at it. It depends very much on how coal is shipped from the various collieries.

Q. So that the rates of transportation from Schuylkill Haven to Port Richmond for outside of the capes of the Delaware would be the sum that you have mentioned, less thirty cents, on an average?

A. If those were the conditions upon which the coal is way-billed, yes; but it is not so accounted; therefore we do not consider it in that respect. In other words, we consider it a sum applying to the coal from the mines to Port Richmond.

Q. But in order that we may readily compare the price of transportation of coal for use in the city of Philadelphia with that of coal to be shipped beyond the capes of the Delaware it would be proper to make the deduction of thirty cents?

A. It would be more proper to add the thirty cents for the lateral tolls to the other rate.

Q. That would make the rate one dollar and eighty cents to Philadelphia?

A. Yes, sir; precisely.

Q. And the outside shipments one dollar and thirty cents?

A. Yes, sir.

Q. A difference of fifty cents against Philadelphia?

A. Against Philadelphia I do not admit, because that is not the way to state it. It is not correct.

Q. In favor then of the outside persons?

A. Not at all in favor of the outside persons. The conditions are not all considered; therefore I do not admit it.

By Mr. CASSIDY:

Q. What is the differene between your view of it and the railroad view?

A. I do not think there is very much difference when we consider the additional service which we must perform for the distribution of coal within the city of Philadelphia. Any person who is connected with the details of that service probably would consider it worth thirty or forty cents a ton.

149 By Mr. SNODGRASS:

Q. The different conditions which you mention are the different services you would have to render, with respect to the coal itself?

A. So that I may not state what is not true I want to state that the conditions are not the same. We send large bodies of coal to Port Richmond in continuous trains, several of them a day, for shipment. The cars are generally promptly unloaded and returned to the mines, and they keep up a continuous motion, which, of course, is money to the company. Therefore, the expense is not so great in transporting that coal as it is in transporting coal to the city of Philadelphia, where we bring the coal to a common distributing point and hitch on engines and take it down and up and transfor it here and there and everywhere, subject to all sorts of delay, the delays of the cars in the coal-yards here and there and everywhere, as we are obliged to do. The difference in the absolute expense in transacting that business, I would say, was fully forty cents a ton, take it on the average: that is on a year's business, considering the snow and ice and all the various other contingencies which go into that sort of distribution.

Q. There is still a difference of ten cents?

A. Whatever it is. I am not speaking upon exact figures at all.

Q. What difference is there in your service for transportation beyond the capes and and where you deliver to Port Richmond for the harbor?

A. In such cases there is really no difference. It depends upon the facility or swiftness with which the coal is discharged, of course, when you consider the subject of expense, but then in a large business like that of the Philadelphia and Reading Railroad Company we have to take things in a bunch; we have to assume an average, because it would be impossible to take out and separate it.

Q. How much did you make that difference between the harbor rates and the outside rates?

A. I must figure that up. I do not know. One being an indefinite figure
150 would put it in doubt. I make the difference between the harbor rate and the
rate for outside the capes about ten cents a ton. I am speaking now of the difference from the mines, taking an average of thirty cents as a lateral.

Q. Your practice is substantially the same as that of the other companies?

A. I do not know of my own knowledge, only in a general way. I have never been connected with the coal departments of the other companies, and therefore can not speak of my own personal knowledge.

Q. You know of their transactions by the meetings you have attended, &c.?

A. No, sir; we assume that their revenues would not be any greater, but how they arrive at it, &c., I do not know.

Q. The charges are about the same?

A. I suppose so.

Q. For the different classes of service?

A. For the different classes of service.

Q. You have every reason to believe that they are practically the same?

A. Well, in a general way, of course.

By Mr. SNODGRASS:

Q. You have spoken several times about an official who is called a sales agent. Will you please explain what is meant by that or what his duties are?

A. Well, I only say that each of the large coal interests have persons who represent them in the matter of sales: that is, the sale of their coal. That is a specific duty by itself, generally controlled by a person called a general sales agent.

Q. You mean then that the Philadelphia and Reading Railroad Company, the Delaware, Lackawanna and Western Railroad Company, and the Delaware and Hudson Canal Company, if you choose, have sales agents who represent them in the sales of their coal?

A. The Philadelphia and Reading Railroad Company has no such officer. The
Philadelphia and Reading Coal and Iron Company, however, have a general
151 sales agent. The Delaware, Lackawanna and Western Railroad Company, I be-
lieve, at this time have no such officer, although the person who occupied that position is now called the second vice-president. As far as my personal knowledge goes, I do not think they have any officer called a general sales agent, although they have officers who are attending to the sales of coal.

Q. Was not Mr. Holden the sales agent of the Delaware, Lackawanna and Western Railroad Company?

A. He was up to three months ago, I think, when his title was changed to that of vice-president.

Q. Did that change his duties, so far as you know?

A. I do not know.

Q. So that where they have a sales agent his duties are to attend to the sales of coal?

A. Yes, sir.

Q. For the company he represents?

A. For the company he represents.

By Mr. CASSIDY:

Q. The rates that you have given were the same in September as you have given them now?

A. No, sir. The outside rates, as I have explained to you, were subject to the fluctuations of the market. The price at which coal is sold free on board varies.

Q. Were they lower or higher?

A. My impression is they were lower. I will give you exact facts, though, about that.

Q. For September?

A. Yes, sir. They were very much lower; one dollar and twenty cents and one hundred and seventy-four one-thousandths. This, understand, is simply an average rate. I can not give it to you exactly, but the average is based upon each particular sale, and it makes a great many figures.

By Mr. GENDELL:

Q. Was the city rate the same?

A. Yes, sir.

Q. And was the harbor rate the same as it is now?

A. The harbor rate is the same.

Q. What was it in August?

152 A. Which rate do you refer to?

Q. All three of them.

A. The harbor and city rates were the same, and the outside rate, as we call it, was one dollar and eighteen cents and two hundred and eighty-eight one-thousandths.

By Mr. SNODGRASS:

Q. I notice that a gentleman named S. C. Harris is designated as the line and southern sales agent of the Philadelphia and Reading Coal and Iron Company. What were his duties?

A. I do not know authoritatively. I know, in a general way, what he attended to—the sales of coal upon the line of the Philadelphia and Reading Railroad in the city of Philadelphia and to southern points.

Q. You spoke a moment ago of a meeting of sales agents?

A. I believe I did not. I believe that was suggested, but I know nothing of such a meeting.

Q. There was no such meeting?

A. I say I know nothing of such a meeting personally, because I have never attended one.

Q. There were such meetings?

A. Yes, sir; from what I have seen in the papers.

Q. If there were such meetings would Mr. Harris be a proper person to attend them as representing the Reading interest?

A. As I understand his position it would depend on which territory was involved in the meeting. If the western or outside territory was involved, another officer would be likely to look after it.

Q. Who would that be?

A. Thomas M. Richards.

By Mr. CASSIDY:

Q. Then Mr. Richards or Mr. Harris would be present?

A. Yes, sir.

Q. No other one?

A. No other that I know of.

By Mr. SNODGRASS:

Q. Is there such an officer as toll agent?

153 A. Not that I know of.

By Mr. CASSIDY:

Q. Or persons who meet to regulate the subject of tolls?

A. I stated that those matters were all controlled by the general traffic managers or general freight agents of the road.

By Mr. OLMSTED:

Q. When anthracite coal is produced from the mine it is put into a breaker, is it not?

A. Yes, sir.

Q. And from the breaker it goes directly into the cars of the railroad company?

A. Yes, sir.

Q. And the railroad company then weighs the coal in the cars?

A. Yes, sir.

Q. And a simple way of getting at the amount of coal produced is by getting at the record of the railroad company which connects with the breaker, is it not?

A. I should say that was the only practical way of getting at it.

Q. And that is the way in which statistics of coal have always been obtained, so far as you know?

A. So far as I know; yes, sir.

Q. Your applying to railroad companies for this information then within the last two years was not a new method of obtaining information concerning the coal production?

A. No, sir; it is one that I myself have followed ever since I have had anything to do with this part of the business.

Q. It is much more convenient and much simpler than by applying to each coal producer, and for that reason is the only practical method of obtaining the statistics of the coal production as you have stated?

A. Yes; it is the only practical method.

Q. Do these returns which were made to you by the railroad companies include anything more than a statement of the amount of coal received by them at the breakers?

154 A. The statements that I received I understand to include all coal received by them which passes over the scales. I make that distinction, because there are periods when there must be considerable coal standing back of the scales already mined.

Q. All coal which is mined and forwarded from the mines must go over the railroad and pass over the scales.

A. Yes, sir.

Q. The tonnage so passing you get the record of?

A. Yes, sir.

Q. Did you require from the railroad companies any report showing the distance for which they respectively transported the coal?

A. No, sir.

Q. Or the price which they charged for transporting it?

A. No.

Q. Or the price at which such of them as did produce and sell coal sold their own coal?

A. I had nothing to do with any such information at all. No questions of that kind were ever asked by me.

Q. Are there not a good many other railroad companies in the Commonwealth over whose lines anthracite coal is transported?

A. Other than the Philadelphia and Reading?

Q. Other than those you have named. Other than those to whom you sent statements concerning the allotments of coal?

A. There are other railroad companies transporting anthracite coal other than those that are named.

By Mr. SNODGRASS:

Q. You mean a continuous line of traffic?

A. They are not what we would call a continuous line. They receive the coal from these lines.

By Mr. OLMSTED:

Q. Are there not other roads over whose lines anthracite coal is transported?

A. I answer yes, there are.

Q. Does not the Northern Central Railway Company transport anthracite coal?

155 A. Yes, sir.

Q. Does not the Buffalo, New York, and Philadelphia Railroad Company transport anthracite coal?

A. They do.

Q. Does not the Pine Creek Railway Company transport large amounts of anthracite coal?

A. They transport more or less of it; yes, sir.

Q. Do any of those companies report to you the amount of their tonnage?

A. No, sir.

Q. Then am I correct when I state that the companies which do report to you are only those which receive coal from the breakers, and that your object in requiring their reports was that you might get at not the amount of transportation, but the amount of coal produced?

A. Precisely so.

Q. There has been some question raised here about a report on which a deduction was made. [Referring to same.] This report of the Delaware, Lackawanna and Western Railway Company, on which there appear two items of deduction, one with the Delaware and Hudson Canal Company, and the other the Pennsylvania Railroad Company. I think you explained that there were some breakers from which more than one company received coal, and that these deductions were made because the items here deducted were included in the report of the other company.

A. Yes, sir. I suppose it would be proper to explain there, in addition to what I have already said on that subject, that a good deal of the tonnage of some of the Northern companies, the Delaware, Lackawanna and Western, and Delaware and

Hudson Canal Company, is what is called contract tonnage; that is to say, they buy or contract to have coal mined from a mine, and they take the entire product of the colliery, of course, and may supply one month to the Delaware and Hudson, and another month to another company, according to the way the coal is sold.

156 Q. Then if each of the companies reported this coal the amount of production would have been duplicated to that extent?

A. Precisely.

Q. And in order to get at the actual amount of production rather than the transportation this deduction was made?

A. Precisely so.

By Mr. GENDELL:

Q. Do you mean to say that the railroad company purchased coal or merely agreed to transport it to market?

A. I understand it to be the practice of some of the companies, although I do not know that it ever was the practice of the Philadelphia companies, to not only mine coal and sell, but to contract with different parties and take the product under an arrangement of their own. They call them contractors.

Q. As purchasers?

A. Yes, sir. I do not mean to say that the railroad companies did that.

By Mr. DICKSON:

Q. It was a sort of leasing of the property?

A. Yes, sir. It is a practice that prevailed to a greater or less extent during my whole knowledge of the coal business. In the case of the Delaware, Lackawanna and Western Railroad Company, I believe they conduct their whole business within their own corporation, and buy and sell just as a corporation. The Delaware and Hudson Canal do the same. What I mean by that is they have no auxiliary companies representing coal interests.

By Mr. OLMSTED:

Q. Did you, as statistician or accountant, or as clerk to Mr. Harris, the secretary of the allotment committee, send out to any of these companies any instructions or suggestions concerning the price of transportation which they were to charge for carrying coal?

A. Never.

Q. Or the prices at which they were to sell coal?

A. Never.

157 Q. In the line of a question asked you by Mr. Gendell, I want to ask, did you ever, at any time, send word to any of them that at such a time their quota would be full, or were your notices to them all sent after the close of the month?

A. My notices were all in the character of finished accounts; that is to say, we did not anticipate them. I simply announced that the quota under the allotment for the next month would be so much, subject to any addition or subtraction that would be necessary from the different accounts at the close of the month when they were made up, and then they would see my statements which were made up when the accounts were made up, and I did not know anything about it beyond that. The next month the same course would be pursued.

Q. But until after the close of the period you never notified them whether they were over or under their quota?

A. No, sir; never.

Q. Do you know whether the Pennsylvania Coal Company of itself has any means of carrying coal to market?

A. Well, I can only say that I believe them to be interested in the Erie and Wyoming Railroad which does carry coal for them. They were formerly the proprietors of a gravity railroad, which carried coal for them, as the reports there will show, almost entirely, to market.

Q. It took it from the mines?

A. From their mines.

Q. Where did the gravity road terminate?

A. At Hawley.

Q. Is that a marketing place for coal?

A. No, sir; it is simply a point of junction. The New York, Lake Erie and Western Railroad passes that point, and also the Delaware and Hudson Canal, and they distribute their coal chiefly at that point.

Q. Do you know or have you reason to believe that this gravity road was a road simply for the transportation of the coal of companies who owned mines to the nearest point at which it could be shipped to market?

A. I have reason to believe that it was just as you state; that no coal was shipped to that point except coal of their own.

158 Q. The Pennsylvania Coal Company is not then a transporter of coal in the sense of being a transportation company ?

A. Well, as you ask the question, I answer that they were not, but as we understand it they were always a factor in the distribution of the percentage.

Q. Did not that result from the fact that their own gravity road, and not the lines of any other company's road, took the coal from their breakers ?

A. I think it did.

Q. They themselves carried no coal to New York, for instance, or to any other of the great points of marketing ?

A. No, they did not.

Q. It was not because they were transporters, but because they were producers ?

A. A large portion of their tonnage was delivered to other roads very much closer to their mines than their own delivery would haul it by their own lateral roads; deliver it to the Delaware and Hudson, for instance, and the L. and S. Road ?

Q. In what capacity did you attend these various meetings at which the rates of transportation of coal were discussed ?

A. I attended those meetings in behalf of the Philadelphia and Reading Railroad at the instructions of the general traffic manager.

Q. Did you ever attend any such meeting under the instructions of Mr. Harris as secretary of the allotment committee or under the instructions of the Anthracite Coal Association or Combination, or by whatever term it is called ?

A. Never.

Q. At those meetings were the Delaware, Lackawanna and Western Railroad Company, the Delaware and Hudson Canal Company, the Pennsylvania Coal Company, or the New York, Lake Erie and Western Railroad Company represented at all ?

A. They were never represented to my knowledge.

Q. It was not then in any sense a meeting of the association of which Mr. Harris was secretary and you were the accountant ?

A. In no sense whatever.

159 Q. Were these rates to which you have testified the rates of any association, or simply, as I understand them, of the Philadelphia and Reading Railroad Company ?

A. That is all they were; the rates of the Philadelphia and Reading Railroad Company.

Q. I do not know that I fully comprehended your testimony on that point, but if those rates do show any discrimination as against the city of Philadelphia and in favor of outside freight, was that the result of any instructions from this association or any action of this association of which Mr. Harris was secretary and you were the accountant ?

A. Not in the slightest degree. No action whatever.

Q. Then it does not result from that association ?

A. Not in any way that I know of.

By Mr. DICKSON:

Q. I understand you to say you do not admit that there is any such discrimination against the city of Philadelphia ?

A. I certainly do not.

Q. And that in point of fact the difference in freight which is charged for the coal which is delivered in the private yards throughout the city and that which is delivered at Port Richmond is a difference which is intended to compensate for the difference in the cost of service ?

A. Well, reversing the statement would bring it nearer to my understanding. That is to say, we establish a rate of freight which we presume to be a proper one for Philadelphia and if Philadelphia would take the entire product of the mines, if we could market our coal in Philadelphia and vicinity, then that would be all right; but in order to keep up this production that has been developed we are obliged to enter markets that other coal producers enter, and we have to enter them in competition with those other producers, and sometimes the distance to reach those markets is very much greater than the other company has and the competition therefore becomes very marked, very close. In order that we might be able to ship a portion of the production into these competitive markets, a system of rating was established
160 which would make the rates from the mines to Port Richmond a part of a through rate to the competitive territory. It is not a fixed rate, as I have stated. It is variable according to the price of coal, and is governed entirely by the competition we meet in these markets, and therefore it becomes simply a part of a through rate of transportation in exactly the same way that a rate from Chicago to New York would be divided as between Buffalo and another place, if such a thing were necessary. It is a part of the through transportation into a competitive market.

Q. The price of the competitive market is fixed by your rivals and not by yourselves ?

A. Yes, sir; that is true.

Q. But in point of fact the cost of service in d throughout the
city of Philadelphia is largely enhanced by the he cars, deliver-
ing them in twos and threes to the different rota them up again,
by the long delay and by the expense in maintain which are neces-
sary, is it not?

A. That is true.

Q. And the difference in the additional charge which is thus made is intended to represent that increased cost for service, is it not?

A. Yes, sir.

Q. Further than that, when you deliver in the city you do deliver from the particular mine to the particular customer?

A. We do.

Q. And when you dump at your piers at Port Richmond you simply deposit your pea coal, your egg coal, and your broken coal in the bins appropriated to these kinds of coal without being able in any way to discriminate between the different mines?

A. That is true to a certain extent. It is sometimes shipped directly over the wharf into the vessel.

Q. But where you are obliged to stock it you are obliged to stock it without reference to the mine from which it is produced?

A. Oh, yes, without reference to the mine from which it is produced.

161 Q. How long did you say you had been engaged in collecting the statistics of the trade?

A. I began in 1876.

Q. And is the system which you have observed during the years 1885 and 1886 materially different from that which you have had in use during the last ten years?

A. It is practically the same.

Q. It has simply been developed by you during the last ten years with a view of giving accurate information as to the amounts of coal produced, and the amounts on hand at the shipping points, has it not?

A. Yes, sir.

Q. And you did that as a part of your duties or as a means of furnishing such information for your own satisfaction for these years while you were in the employ of the Reading Railroad Company, receiving no compensation from outside people?

A. That is true up to the year 1884 or 1885.

Q. Those statistics which you thus gathered are published from month to month in the daily journals, are they not?

A. They are.

Q. And they are sent by you to the coal trade papers for the information of the dealers as well as the producers and transporters?

A. I sent out quite a number of them every month.

Q. Do those statistics differ in character from the statistics which are gathered by Mr. Swank for the Iron and Steel Association or Mr. Weeks for the Western Pig-Iron Association in respect to the product of the charcoal and coke and anthractic furnaces, the amounts of different kinds of iron on hand and the like?

A. I think they do not differ materially from those statistics. They are collected and collated in very much the same way, I think.

Q. Is not this method of distributing and gathering information deemed necessary in every large branch of production throughout the world?

A. Yes, sir.

162 Q. Is it not substantially the same as that observed by all the grain exchanges and cotton exchanges, in the production of gold and silver, and in every other department of industry?

A. It is substantially the same.

Q. And do not the Government of the United States and the government of Pennsylvania expend large amounts in the compilation of just such information as that which you have been endeavoring to furnish to the particular industry with which you are connected?

A. Precisely so.

Q. Were not statistics somewhat of the same character, though less complete, compiled by a gentleman who preceded you?

A. Yes, sir.

Q. What was his name and for how many years was he so employed?

A. I can hardly give you the number of years he was so employed. Mr. P. W. Sheafer has collated and put in shape very valuable statistics with regard to anthracite coal, and Mr. Benjamin Bannan devoted a great deal of time to the collection and dissemination of statistics of the anthracite coal trade.

Q. Mr. Bannan was the editor of a newspaper published at Pottsville, and Mr. Sheafer is an eminent geologist and mining engineer residing in Pottsville?

A. Yes, sir.

Q. And this particular publication to which reference was made some time ago, showing the gradual development of the trade, in the form of a pyramid, was originated by Mr. Sheafer and has been extended by you down to date, has it not, or at least to within a recent time?

A. Yes, to within a recent time. In compiling that statement I made use of Mr. Bannan's and Mr. Sheafer's figures up to the time I received anything like authoritative figures for myself.

Q. Do you know the fact that the corporations of the State are required under the laws of the Commonwealth to furnish returns from year to year of their production and their carrying?

A. Yes, sir.

163 Q. So that practically what you have been doing is to combine in one intelligent statement the statistics which the Commonwealth itself has called for and which are essential for the information of all parties interested in the trade, dealers and consumers, as well as producers and transporters?

A. That is true.

Adjourned until Tuesday, January 11th, 1887, at 11 o'clock a. m., in Parlor 16, Continental Hotel.

PHILADELPHIA, *Tuesday, January 11th*, 1887, 11 a. m.

Hearing held in Parlor C, Continental Hotel.

Present: The examiners (Messrs. Chamberlin and Mitchell); Messrs. Gendell and Cassidy for Commonwealth.

Messrs. Olmsted, Wolverton, Drinker, Ashhurst, De Forest, Dickson, Kaercher, Scott, MacVeagh, Barnes, and Morris, of counsel for various defendants.

Mr. JONES, recalled and examined.

By Mr. KAERCHER:

Q. Can you give me the distance from the coal shipping point on the Reading Road to the various shipping points at tide?

A. By railroad—the distance from Schuylkill Haven to Port Richmond is, in round figures, ninety miles. By canal we call it one hundred and two miles to Philadelphia water.

Q. What is the distance by the rail route from Schuylkill Haven to the waters of New York Harbor?

A. About one hundred and seventy-five miles.

Q. That is from what point to what point?

A. From Schuylkill Haven to the waters of New York, speaking of it as a general term. To Elizabethport, and then it is distributed over a short distance by water to the market.

Q. What is the distance from Elizabethport to New York Harbor by the water line?

A. It is generally considered to be thirteen to fifteen miles.

164 Q. What is the distance from Schuylkill Haven to New York Harbor via Port Richmond?

A. Via Port Richmond and the Delaware and Raritan Canal, two hundred and twenty-two miles.

Q. What is the distance via the Delaware River?

A. Around the capes I can not tell you.

Q. What are the distances by the rail and water routes from Schuylkill Haven to the several New England shipping points?

A. I am unable to give you that.

Q. What is the route that coal takes in going to New England ports?

A. By water outside the capes and around Cape Cod.

Q. By steam colliers and schooners?

A. Usually by steam colliers, so far as we are concerned.

Q. And also by various sailing vessels?

A. Yes; sailing vessels of any sort.

Q. In the transportation of coal to points beyond Pennsylvania, via the various routes concerning which you have testified, state whether in the route to the New England ports the Reading Railroad Company employ a line of steamers known as colliers.

A. They do.

Q. They perform, do they not, in cases of the transportation of coal from the mining region to New England ports, the whole service so far as it is done by those colliers from the mines to the points of landing in the New England ports?

A. From Port Richmond to the landing; yes, sir. They are part of a continuous line.

Q. At Port Richmond they put the coal into their own steam colliers and effect the whole transportation from the mines to the New England ports?

A. Yes, sir.

Q. In speaking of the rate which was charged by the Philadelphia and Reading Railroad Company for coal which was shipped beyond the State of Pennsylvania, and as you describe it, beyond the capes of the Delaware or outside of the harbor of Philadelphia, state whether the rate which the Reading Company receives is part
165 and proportion of the through rate from the mines to the point of delivery in New England, wherever it may be.

A. It is always so considered.

Q. It is not a separate and distinct rate charged from the mines to Port Richmond, and so much more added for the transportation from Port Richmond to the New England or other ports, but it is the Reading Company's proportion of an entire rate of transportation from the mines to the point of delivery, is it not?

A. It is so considered.

Q. And the way you get at the Reading proportion is by the division in the manner in which you have stated in your testimony-in-chief, is it not?

A. By a pro rata of the price that the coal is sold at free on board.

Q. It is then, in point of fact, the proportion of a through rate which is established in that way?

A. It is so understood and considered.

Q. And it is so in point of fact?

A. It is in fact?

Q. In the ascertainment of that through rate by the line of transportation which the Reading Company furnishes from the mines to the ports of delivery beyond the State of Pennsylvania, is there any discrimination as against other vessels or lines transporting the coal as part of that through line?

A. None that I am aware of.

Q. They are all treated alike, are they not, in that respect, so far as you know?

A. All treated alike, so far as I know.

Q. State whether or not, in point of fact, this traffic is an interstate traffic as between the States?

A. It is.

Q. Is there any discrimination against purchasers in the city of Philadelphia of coal for delivery within the harbor as compared with the rates of transportation or charges or expenses to persons purchasing at Salem, for instance, and Wilmington, reached by the waters of the Delaware?

166 A. There is none.

Q. You have stated that there was a common charge to all these points of delivery within what you call the harbor of Philadelphia, being the waters reached by the Delaware River. Did you mean to say in that answer and to be understood as meaning that a purchaser at Salem and at Wilmington had no additional charges or expenses to pay which were above those that would be paid by a person securing coal along the Delaware front upon the city side?

A. I did not mean to say so. I meant to have it understood that there was an additional charge over and above the transportation charged by the Reading Railroad.

Q. State what that additional charge is?

A. It is the boat freight, which varies according to distance. I can give you the present boat rates to prominent points if you desire them.

Q. State whether that additional rate which those persons at those points have to pay represents the additional boat service which covers transportation from Port Richmond to the points of delivery?

A. It does.

Q. State what additional charge for boat service is paid by persons purchasing coal in those localities?

A. The present boat rate from Port Richmond to Wilmington is fifty cents a ton; to Salem, New Jersey, fifty cents a ton; to Camden, from fifteen to twenty cents as the case may be; to Chester, twenty to thirty cents; to Bridgeton, thirty-five to forty cents; to Woodbury, twenty-five to thirty cents; to Delaware City, thirty to thirty-five cents. These rates vary according to the conditions of the market. I have given the present rates.

Q. They are the rates for the boat service representing that additional service?

A. Yes, sir.

Q. So that it is not true in point of fact that those ports of delivery are upon an equality with the city of Philadelphia in respect to the rates of transportation for the delivery of coal over the Reading Railroad?

167 A. They are not in point of fact. They appear to be so because the same amount of dollars and cents is charged between the mines and Port Richmond.

Q. But when you count the additional charge from points where the coal is delivered by the Reading Company to the parties who are transporting it to these various ports of delivery, it is not so?

A. It is not so.

Q. Have you examined the reports of the Philadelphia and Reading Coal and Iron Company for the purpose of determining the quantity of coal shipped by the Reading Coal and Iron Company and by tenants upon properties of the Reading Coal and Iron Company during the years 1884, 1885, and 1886?

A. I have; yes, sir.

Q. Please state for each year, and also the total amount for each year?

A. Beginning with 1884 there were mined by the Philadelphia and Reading Coal and Iron Company 4,925,987 tons, and there were mined by tenants 746,697 tons, making a total of 5,672,684 tons.

In 1885 there were mined by the company 5,236,228 tons, and by the tenants 805,650 tons, making a total of 6,040,178 tons.

In 1886 there were mined by the company 5,616,363 tons, and by tenants 592,839 tons, making a total of 6,209,202 tons.

Q. How much did the Reading Coal and Iron Company restrict its tonnage mined by that company in 1885 over the production of 1884?

A. There was no restriction. It was an increase.

Q. What was the increase?

A. the increase appears to be about 400,000 tons.

Q. How much did they restrict the production in 1886 over 1885?

A. That also appears to be an increase of probably 160,000 tons.

Q. And it is the fact, whether viewed separately or together, that 1886 shows an increase, and not a decrease, in production over the year 1884?

168 A. That is true.

Q. What is the amount of increased production of the Coal and Iron Company for 1886 over the production of 1884?

A. About 600,000 tons, without going into the exact figures. Those figures are here, and the amount can be given exactly if desired.

Q. Then these figures do not disclose any actual restriction on the previous output of the Coal and Iron Company, do they?

A. They do not.

Q. State whether these are the largest productions of coal that have ever been made by the Coal and Iron Company?

A. The year 1886 appears to have been the year of the largest production that was ever made by the Philadelphia and Reading Coal and Iron Company and its tenants.

Q. You have testified heretofore in regard to an allotment in 1886 on the basis of 33,500,000 tons. Has the Reading Company shipped more or less than the percentage on that basis of allotment?

A. For 1886 they have shipped more.

Q. How many thousand tons have the Reading Company shipped more than would be allowed to them under this present allotment?

A. The December figures are not yet made up. Last November the overplus was 441,235 tons.

Q. So that the fact is, from the figures which you have testified to, that not only has the Coal and Iron Company mined, shipped, and sold more coal in 1886 than it ever mined and shipped before, but it has shipped over 440,000 tons above the so-called allotment?

A. The railroad company has. The allotment was made to the railroad. That was the most convenient way of getting at it. The Coal and Iron Company is not the only shipper on the railroad.

Q. Regarding it as part of the shipments over the railroad, that would be the fact, would it not?

A. Yes, sir.

Q. Do you know from an examination of the reports of the company, whether coal was sold higher or lower on an average in 1885 than 1884?

169 A. I have looked at the reports with a view of obtaining that information, and I have it before me.

Q. Give the prices obtained for coal at the mines from 1881 to 1886.

A. In 1881 the price was $1.91 per ton; in 1882, 1.87\frac{6}{10}$; in 1883, 1.88\frac{4}{10}$; in 1884, 1.81\frac{4}{10}$; in 1885, 1.65\frac{4}{10}$; in 1886, 1.53\frac{7}{10}$.

Q. How many cents per ton on an average did the Coal and Iron Company sell its coal less in 1885 than it did in 1884?

A. Sixteen cents.

Q. In 1886 how much less than 1884?

A. Twenty-seven cents and a fraction.

Q. So that the Coal and Iron Company, instead of advancing the prices of coal in

1885 and 1886, sold coal in 1885 for sixteen cents a ton less than in 1884, and in 1886 for twenty-seven cents and a fraction less than in 1884?

A. Yes, sir.

Q. What was the total loss of the Philadelphia and Reading Coal and Iron Company in mining and selling 5,616,000 tons of coal in the year 1886, excluding all charges for interest on capital invested?

A. It is stated in their regular printed report; $1,147,053.96 loss on the business of the Coal and Iron Company, excluding interest.

Q. It would appear from that statement and the testimony that you have given, as I understand you, that in 1885 and 1886 the Coal and Iron Company increased its production to the extent of the 700,000 tons in 1886 over 1884; that you have testified that it has exceeded the allotment for 1886 by 400,000 tons; that it has sold coal from sixteen cents to twenty-seven cents a ton less in those years than the previous year of 1884, and has parted with 5,600,000 tons of its coal at a loss of over $1,000,000.

A. That is the fact.

Q. That is, it has depleted its estate to the extent of 5,600,000 tons and has paid $1,000,000 for the privilege of doing it?

170 A. That is one way of stating it.

Q. Is not that the fact?

A. It is the fact.

Q. As an expert in these facts do you discover any unjust discrimination against the public in giving away 5,600,000 tons of coal, and getting in debt $1,000,000 for the privilege of doing it?

A. I can not say I do.

Q. State whether the coal cars are not a special equipment only adapted for the use of hauling anthracite coal?

A. They are constructed for that special purpose.

Q. State whether it is practicable upon the part of the Reading Railroad Company to use them for any other purpose. I mean as a whole.

A. Not as a whole; no, sir.

Q. State whether this equipment has back to the coal mines practically any return freight or tonnage.

A. It has none, practically.

Q. So that it is true, is it not, in point of fact, that the transportation of a ton of coal to the point of delivery in Philadelphia actually requires the transportation of really double the distance of the equipment?

A. That is true.

Q. You have to carry it full one way and empty the other, and in considering the mileage and the freight that is paid, is that or not a matter to be taken into account in determining the rate of transportation, and is it always taken into account?

A. It should always be taken into account in determining the rate of transportation.

Q. State whether or not railroad companies are as a matter of fact subject to very much lower rates of transportation where they have and can rely upon having return tonnage over their line.

A. It makes a very material difference in the freight rates whether we shall have return lading for our cars.

Q. In this case, practically you have no return lading?

A. We have no return lading.

171 Q. Is it fair or not under those circumstances to consider the transportation really as not ninety miles from the shipping point, but one hundred and eighty miles, when you consider the cost of the service?

A. Well, I suppose other questions might come into an answer on that point: but substantially I should say yes, that it was proper to so consider. There are however, as I say, other circumstances which might come in.

Q. I desire to call your attention to other circumstances, and to show you how they affect this question. From Schuylkill Haven to Port Richmond the grade is with the trade, is it not?

A. It is.

Q. And a coal train can haul down about as many loaded cars as it can haul back empty cars?

A. Yes, sir.

Q. At certain points on route to the coal fields, state whether or not the grades of the roads, some of them, do not become very heavy.

A. They do.

Q. Do you know what the maximum grade is upon the Broad Mountain and Mahanoy Road?

A. I do not at this moment.

Q. Have you ever heard it stated as one hundred and seventy feet?

A. I would not like to say, because my memory is not clear. I know that there is a tremendously heavy grade there. I have passed over it frequently; but at this moment I do not remember the figures.

Q. State whether they can take up but a very small train of empty cars in returning them to the mines over those grades?

A. They can only take small trains.

Q. State whether or not the outlets from the Shamokin and Mahanoy coal fields are by way of the Gordon and Mahanoy Plain, by which the coal has to be hoisted over the Broad Mountain and the empty cars returned in the same way?

A. It is principally so.

172 Q. State whether those are all elements which go into the cost of the return trip which is in part against the grade?

A. They are all necessarily considered.

Q. You stated that the rate of one dollar and fifty cents to Philadelphia was the charge from the shipping point, Schuylkill Haven, to the point of delivery. What is the distance from Schuylkill Haven to the various coal fields? Take the most remote, first, from which coal is shipped, for which a lateral charge of thirty cents per ton is made.

A. I should say thirty to thirty-five miles, probably, was the most remote.

Q. Then it runs down to eight or ten miles?

A. Yes, sir.

Q. Varying according to the location of the various places?

A. Yes, sir. I have not the data here to give the distances exactly, but I should say that was approximately correct.

Q. I desire to draw from you more particularly than you have yet testified to the difference between coal that is delivered in Philadelphia and that which is shipped to Eastern markets. How is the coal generally sold in Philadelphia—is it sold as the products of particular collieries which are known to possess particular qualities and adaptability of various sizes for particular purposes, or is it all sold in a lump?

A. It is sold as you first stated. Each party has their particular brand of coal, and that coal is generally shipped from some particular colliery to a particular customer for specific purposes.

Q. State whether or not there is in the production of various parts of the coal fields, and even in the production of the same colliery, very different veins in the same parts of the coal fields and very great differences in the character of the coal.

A. That is a well-known fact. The veins all differ in their qualities. Some are good for one purpose and poor for another. They all have their specific qualities and are purchased for that reason.

Q. State whether those specific qualities are as a matter of fact an element
173 which is largely, if not universally, considered and met in the distribution of
coal throughout the city of Philadelphia?

A. That is so.

Q. How is it when you come to the coal which you have described as that which is shipped to points beyond the State of Pennsylvania, that is, coal sold in the carrying on of interstate commerce with other States?

A. There is not so much care taken as to keeping separate all the different grades or qualities of coal. Trains are taken from the mines and the particular sizes probably are kept separate; but particular qualities are not usually kept separate.

Q. That is, you would have in the chutes at Port Richmond pockets for chestnut, pockets for egg, and pockets for stove; but you would fill up those pockets, as I understand the matter practically, for Eastern shipments with stove coal brought from any part of the field, or chestnut coal brought from any part of the field, and what the customer gets beyond Philadelphia is the mixed product?

A. That is generally so. There may be exceptional cases where coals of a specific variety are kept separate, but such is not the rule.

Q. There therefore exists practically that general difference between the coal which is sold in Philadelphia and that which is sold elsewhere?

A. Yes, sir.

Q. What constitutes an ordinary train of coal from Schuylkill Haven to Port Richmond or Philadelphia?

A. I suppose about 140 four-wheel cars.

Q. Those cars would average how many tons?

A. If they were all four-wheel cars of the Reading build they would average probably about five tons.

Q. That would make the load of the train about how many tons?

A. About 700 tons.

Q. You have testified somewhat in respect to the difficulties attending the delivery
to the trade generally in the city of Philadelphia as distinguished from delivery
174 at Port Richmond. State whether or not the increased cost of handling that
coal begins at the very mine when they have to distribute the loadings from
the breakers into the different cars.

A. It does.

Q. It continues at the scale, does it not, where the trains are made up for shipment?

A. Yes, sir.

Q. And it is only finally ended when the coal is distributed in the city of Philadelphia to the various purchasers?

A. That is true.

Q. How many trips each week can the equipment make when it is employed in the distribution of coal to purchasers in the city of Philadelphia?

A. My own observation would lead me to say about one trip a week. I think we would be fortunate if we got one trip a week out of our cars as a rule, particularly in the winter time.

Q. That is when the traffic is heaviest, or towards the close of the year, isn't it?

A. Yes, sir.

Q. How many trips can be made in the employment of that equipment in the delivery of coal to Port Richmond on an average?

A. I should say two trips a week.

Q. At least that?

A. At least that, and it is possible to make more than that, but it would depend upon very favorable circumstances.

Q. So that the equipment used in the shipment of the coal to Port Richmond could handle in any given time twice as much as the same equipment employed in the handling of the business to the retail yards in the city of Philadelphia?

A. Yes, sir; that is true.

Q. Assuming that two dollars per ton were to be charged to each purchaser of coal in Philadelphia of a train load of 140 cars, and one dollar and fifty cents only was to be charged to the purchasers of the coal transported by the 140 cars to Port Richmond, what would be the difference in the receipts in one week of the Reading Company from the employment of the 140 cars in each of those ways?

175 A. In the case of Port Richmond for outside shipments, the earnings would be $2,100, and in the case of the city trade the earnings would be $1,400.

Q. Although charged fifty cents a ton more for the coal to Philadelphia than to Port Richmond, the earnings of 140 cars in one week would be to the city of Philadelphia trade $700 less than if shipped to Port Richmond?

A. Yes, sir.

Q. If they were charged the same rate to Philadelphia that you charge to Port Richmond, what would be the difference in favor of the transportation of coal to Port Richmond as against transporting it to Philadelphia if the same rate prevailed in both cases?

A. It would be exactly double.

Q. That is, if you charged one dollar and fifty cents to Philadelphia and one dollar and fifty cents to Port Richmond, the equipment that was used in transporting coal to Port Richmond would earn just 100 per cent. more in a week than that which was employed in the business in Philadelphia?

A. Yes, sir.

Q. And on the problem as I have stated it to you the actual earnings would in that case be $1,000 a week more for the equipment used to Port Richmond than that used to Philadelphia for Philadelphia deliveries?

A. Yes, sir.

Q. Have you ever considered, so as to form an opinion and be able to express your conclusion upon the subject, whether it would not be more money net to the Philadelphia and Reading Railroad Company to transport all its coal either to Port Richmond for Philadelphia deliveries or to one central depot on the suburbs of the city where it could be distributed to purchasers in the same way in large lots that it is at Port Richmond and distribute it at the same prices that you receive on the through rate, than to distribute it in the manner and at the price that you now receive?

A. I have no figures that would make a positive basis for that, but my impression is that it would be very much to the advantage of the company to haul their 176 coal to one central point even if they hauled it at the price they took it to Port Richmond, and let the expenses of delivery be outside of the consideration.

Q. That is, it is your deliberate conclusion that the through rate, or the proportion of the through rate, which would represent the transportation from the mines to Port Richmond as compared with the rate which is charged for the actual deliveries in the city of Philadelphia, does not represent the full cost of the difference of the two services, but that if the Reading Company could render the same services in the deliveries in Philadelphia that it does at Port Richmond, it would be very much more to its advantage?

A. I think that is true. I have always thought so from my experience.

Q. State whether or not the problem which I stated to you on the relative earning capacity of the equipment in use in the transportation of coal to a large depot where two or three millions of tons are annually handled, as at Port Richmond, is to your mind full proof of that fact?

A. I don't think I understand your question thoroughly.

Q. State whether you regard the different earning capacity of an equipment in employment in the Port Richmond business as against a very much less earning power of that same equipment when employed in deliveries in the city of Philadelphia as sufficient evidence in your mind for the conclusion you have stated, that there would be more money net to the Reading at the through rates, if it could distribute coal in the same way?

A. Yes, sir.

Q. You were asked the question by Mr. Gendell whether or not the railroad company could restrict the individual operators in their shipments of coal over the Reading Railroad, and you said you supposed they could. State whether in point of fact in 1885 and 1886 the Reading Railroad Company or its receivers did in any manner, by withholding cars or facilities, or in any other way to your knowledge, restrict any individual operator whatever in the shipment of coal over the Reading system?

177 A. That matter did not come under my personal knowledge. I believe they did not. I do not think they did. It would not have come under my observation, and I could not answer of my own knowledge.

Q. You never heard of it?

A. No, sir.

Q. There was never any complaint made to you by any particular operator that he was prevented from shipping his coal?

A. No, sir.

By Mr. DICKSON:

Q. There are numerous charitable associations and charitable trusts in this city, having for their object the supplying of poor people with fuel, are there not?

A. I believe there are. I have heard of such institutions. I don't know that I can particularize but one just now.

Q. So far as you know, from your general observation and general information, have all of the others put together contributed more than a small percentage of the amount contributed by the Coal and Iron Company towards supplying the people of Philadelphia with fuel below cost?

A. I should say not.

Q. Looking to the results, then, ought not this so-called anthracite coal combination to be regarded in the light of a philanthropic or charitable association for the supplying of fuel to the people of Pennsylvania, and particularly Philadelphia, at less than cost?

A. So far as they have been interested in that I should say so, because the result seems to shows that they have been extremely charitable.

Q. They have actually during the last two years furnished coal at lower prices than ever before?

A. Yes, sir; that is true.

By Mr. GENDELL:

Q. What proportion of coal is shipped over the Philadelphia and Reading Railroad Company's Schuylkill Valley lines by the Philadelphia and Reading Coal and Iron Company and what by other producers?

178 A. I should say about 70 per cent. of the Philadelphia and Reading Railroad Company proper. I am not now considering the Jersey Central line in your question, but simply the Philadelphia and Reading Railroad proper. I should say 70 per cent., or somewhere in that neighborhood, although I have not the actual figures before me.

Q. How much did you say the loss on the production of coal was during the past year?

A. The loss of the Philadelphia and Reading Coal and Iron Company seems by their own statement to have been $1,147,000.

Q. Was the loss by the other producers in like proportion?

A. Indeed I could not say.

Q. Don't you know that it was not?

A. I apprehend that there was more or less loss, but I could not tell you of my own knowledge. I have no connection whatever with their accounts.

Q. Was there a loss by the producers taken in the aggregate?

A. I think there was. At least everybody complained of losing money. Those whom I spoke to in the way of conversation and whom I met in the way of business were complaining continually of losing money.

Q. How was this loss on coal by the Reading Coal and Iron Company made up?

A. I could not say. I have no access to their accounts.

Q. Was it not made up by the railroad company; replaced or refunded to them?

A. I don't know that it ever has been. I don't know how they keep their accounts. I have nothing to do with that part of the question.

Q. Has the Coal and Iron Company any assets from which it could pay a cost of production in one year of more than $1,000,000 exceeding the returns?

A. I could not answer that question. I don't know.

Q. Don't you know from your general knowledge?

A. I didn't suppose that you wished me to guess at those things. I prefer
179 that those who are directly connected with the accounts give you the figures.
They would be in very much more reliable shape.

Q. Who is the proper person to give me that information?

A. There is a secretary of the Coal and Iron Company, and there are other persons whom I have no doubt can furnish you the information in exact form.

Q. Who is there in Philadelphia who can give it to the best advantage, as to how that loss was made—how they procured money to pay the $1,000,000 which was the cost of production in excess of the returns?

Mr. DICKSON. If the attorney-general can show how that would be relevant to the question which he proposes to raise before the court the receivers will be glad to furnish the information.

Mr. GENDELL. I did not see the exact relevancy of the cross-examination, I must confess, but I desire to meet that cross-examination squarely.

Mr. DICKSON. It certainly is relevant upon the question of whether or not an extortionate price has been asked to show that coal has been furnished at less than cost. But as to the question out of what means the producers are able to perform that act of philanthropy, with all due respect to the attorney-general that is a matter which concerns them and not him.

Mr. KAERCHER. We will furnish a copy of the report of the Reading Railroad, just published, which will give all that information.

By Mr. GENDELL (to the witness):

Q. Is it not a fact that the returns for freight on the Reading Railroad were large enough to meet the deficiency in mining and still leave a profit to the railroad?

A. I am not prepared to answer that question. Those are matters of accounts to which I have not acess. If the question is relevant and proper for me to answer I can secure the information, I suppose, by asking the receivers to furnish it. It does not come within the province of my own knowledge.

Q. Is not the object of the railroad company in mining coal through the
180 Coal and Iron Company to procure freights out of which they can make a
profit large enough to more than overbalance the loss in mining?

A. I don't know.

Q. You stated at the end of your cross-examination that you did not know that any individual operators were prevented from shipping. Do you know whether there was any arrangement with the individual operators by which they did not produce more than a certain amount or a certain proportion of an amount of coal?

A. I think there was some sort of an understanding between the individual operators that they would shut down their breakers at a certain time in the month, but I simply know that as passing matter of current information. I had nothing whatever to do with it, and don't know why it was done. I don't remember at this moment when it was done. There were cases where they themselves united together and agreed to stop their mines—for their own purpose, I suppose.

Q. That was done at the instance of some of the officers of the Reading Railroad Company, wasn't it.

A. I don't know that. I have no knowledge of such being the case.

Q. Who can give us that information?

A. I don't know.

Q. Then in saying that the operators were not prevented from shipping, so far as you know, you only mean to say that they were not prevented from carrying coal to market after they had actually mined it. Is that so?

A. I believe that is so, so far as I understand your question. I don't know of any restrictions placed upon them by the railroad.

Q. That is, restrictions in shipping?

A. Restrictions in shipping.

Q. Do you not know of influence brought upon them to prevent them from mining?

A. No, sir.

Q. Does the charge of freight from Schuylkill Haven to Philadelphia include the placing of the cars in the coal-yards and the unloading of the cars and taking them away?

181 A. It includes the cost of placing the cars in the yards of the various dealers
and manufacturers wherever they have switches. It does not include the
cost of unloading. It is proper to state here that these coal cars are so constructed

that with one or two blows of a hammer they can unload a car when it is in a coal yard. They have drop doors, and they are usually unloaded very quickly, so that the unloading is a matter of convenience usually to the man who owns the yard. It sometimes happens to be a very great inconvenience to the man who owns the cars.

Q. Does the charge which you have mentioned as the cost of freight from Schuylkill Haven include every charge to the purchaser of coal in Philadelphia—that is, the merchant who keeps the yard, or the manufacturer—except the actual cost of the coal itself?

A. It does.

Q. You also add to it the cost of the freight to Schuylkill Haven, as you have already explained?

A. Yes, sir.

Q. In speaking of the greater profit in carrying coal to Port Richmond beyond the profit for local delivery in Philadelphia, does what you have stated allow for the wear and tear upon the cars, for the wages of the trainmen and others, and all other expenses, or is it merely the gross returns per car for the same length of time?

A. My answers were given in a general way. Those are specific matters that you ask about, and I can hardly answer them intelligently. Of course all the matters you have mentioned go into the matter of expense.

Q. Did you mean to include them in your answer?

A. I did: yes, sir.

Q. When you gave the figures with respect to the amount earned by a train of coal cars during a certain length of time, say a week, and stated that in the one case a train would earn a certain amount of money, and in the other case a smaller amount of money, you took that into consideration in stating those figures, did you?

182 A. I took specific rates into consideration then. Those rates cover, of course, whatever services were requisite to perform the distinct services spoken of. One was to go to Port Richmond and the other to the city.

Q. It was not merely the gross return that you took into consideration, but the net profit?

A. It was the gross return.

Q. Then the net profit would be something entirely different?

A. Yes, sir. I compared the gross return to the railroad company. I did not compare the net profit.

Q. In order to get at the net profit you would have to take into consideration that a car will run only a certain number of miles, whether they are to be few trips or many in a limited time, and also you would have to take into consideration the fact that on each train there are a certain number of men employed and a certain amount of steam used, &c.?

A. Yes, sir; certainly.

Q. So that the fact that you could make more trips to Port Richmond and that you would obtain a greater gross receipt, does not necessarily show that you would receive a greater net profit during the same length of time?

A. I think it shows that upon the same amount of service and investment the profit would be correspondingly greater. Just what that profit would be I can not say.

Q. It might be greater, or it might be less?

A. It would depend on circumstances, necessarily.

Q. Have you the materials from which you can state in which case the net profit would be greater?

A. No, sir; I have not.

Q. You have spoken about the price of freights, and you also said something with regard to the cost of coal. Practically speaking, the coal dumped at Port Richmond belongs to the Reading Railroad, or the Reading Coal and Iron Company, does it not?

A. It belongs to them and belongs to the Coal and Iron Company. The Coal and Iron Company own what they send there.

Q. The bulk of the shipments to Port Richmond are by the Coal and Iron Company?

183 A. Yes, sir; I believe so.

Q. What is done with coal that is sent there by private shippers.

A. It depends upon what the shipper wants done with it. It is entirely under his control.

Q. Is it kept separate?

A. It is.

Q. Is that the ordinary practice?

A. It is the ordinary practice.

Q. To keep it separate?

A. Entirely so.

Q. By whom are sales made there?

A. Do you mean outside of the Coal and Iron Company?

Q. Yes; are they made by private owners?

A. Sales are made by individual collieries. They sell their own coal. I don't know anything about their sales except that they make them. Each shipper is allotted a certain amount of wharf room, which he occupies during the year, and he puts his coal there and sells it for his own purposes.

Q. But in point of fact the great mass of coal there belongs to the Coal and Iron Company?

A. Because they are the largest shippers. That is the only reason.

Q. It is sold there on the wharves?

A. It is sold for shipment.

Q. What is the price of coal sold at Port Richmond, "free on board"?

A. I am not able to state that. I am not in the selling department.

Q. Have you no knowledge on the subject?

A. Not of my own. I could not answer your question; I don't know.

Q. Do you mean that it does not come directly within the line of your accounts?

A. It does not.

Q. Do you not know practically what it is?

A. I see the circulars, yes. They can be seen at any time. They are always printed and published.

184 Q. As the statistician of this railroad, have you not the information?

A. I am not the statistician of the road.

Q. As the statistician of the Anthracite Combination don't those figures come under your eye?

A. No, sir; I have no relation with them.

Q. Have you not as definite a knowledge of them as you have of very many of the figures which you have given us here?

A. No, sir; I have not.

Q. You have stated that the Reading Railroad Company owned a number of steam-vessels for the carrying of coal. Is that correct?

A. It is.

Q. You have also stated that where coal is shipped on those collieries by the railroad company to other places it is interstate commerce. Is that so?

A. That is a fact.

Q. It is not interstate commerce so far as the railroad company is concerned when it simply carries the coal to Port Richmond and delivers it on a vessel there which is the vessel of a third party?

A. Those are matters that I don't think I am capable of stating an opinion upon. I have only my own opinion, which might not agree with that of somebody else. It is simply a matter of construction, and a man may put upon the point whatever construction he pleases.

Mr. OLMSTEAD. I will state for the information of the Attorney-General that in the case of the Commonwealth *vs.* The Reading Railroad Company, reported in 15 Wallace, the Supreme Court decided that it was interstate commerce.

By Mr. GENDELL:

Was that where it was simply delivered to a third person?

Mr. OLMSTEAD. Yes.

By Mr. GENDELL (to the witness):

Q. You also stated something in the beginning of your cross-examination to-day with regard to the production by the Reading Coal and Iron Company. What has been the amount of their production during the past year of 1886?

185 A. The amount of production of the Philadelphia and Reading Coal and Iron Company themselves was 5,616,363 tons, and the production of their tenants was 592,839 tons. The total was 6,209,202 tons.

Q. State in percentage the amount of the excess of the production of 1886 by that company over the production of 1885?

A. I could not give you that information in percentage until I have an opportunity to work it out.

Q. You have already given the figures?

A. I have.

Q. What was the production of other shippers on your main lines during the years 1885 and 1886—that is, all shippers other than the Coal and Iron Company?

A. It must be borne in mind that the figures that I have given you as the production of the Coal and Iron Company are figures for their fiscal year, beginning with December 1st. The figures which I give you as pertaining to the allotment, or the combination, as you term it, are all for the calendar year, from January to December. The variation in comparison would be so small that it would not be of any account. The production of the Philadelphia and Reading Railroad Company for 1885 was 11,680,780 tons. For 1886 the figures are not yet in.

Q. Then you are unable to state what excess, if any, there was for the entire interest for the year 1886 over the year 1885?

A. I can give it to November 30th, which includes eleven months. I stated in evi-ice before it was some 440,000 tons. That is in excess of their allotment. I can give you the figures until the returns are in. They are not in yet.

Q. Does that include the Jersey Central interest also?

A. It does; yes, sir.

Q. Under the allotment what was the proportion of the Reading system proper irt from the Jersey Central?

A. I can not give you that. It does not come within my province.

Q. How was the division made between the two systems?

A. I could not give you that information. I had nothing whatever to do with the subdivision of the tonnage between the interests of the roads.

Q. You declined to give the price of coal at Philadelphia. How did you get the ce of coal at the mines?

A. I got it from the annual report of the Philadelphia and Reading Railroad, ich will be published in a short time.

Q. Does not that same report give the price at Philadelphia?

A. It does not that I know of.

Q. Then your knowledge about that was no more direct and definite than your owledge about the price of coal at Philadelphia?

A. I take this to be an official document and look upon it as being accurate, while price of coal is such a variable quantity that no one but one absolutely con-ned with the sales of it could form any idea as to what the price was.

Q. You have given us, I think, the charge of transportation to Port Richmond for ious months and for the year at length, have you not?

A. No, sir; I gave you the charge of transportation that prevailed in one case at sent, and in the other case in the month of November.

Q. Can you give us the average charge during the year?

A. No, sir; I can not. I have not the information.

Q. That can be figured out from the annual reports, can it not?

A. Really, I do not know that it can. I do not think it can. I have what is in the iual report on that subject, if you desire it.

Q. Please state it.

A. (Referring to memorandum.) The receipts of the Philadelphia and Reading ilroad Company for the transportation of coal for 2,240 pounds for the year 1886 re $\frac{818}{1000}$ of one cent per ton per mile.

Q. What was the number of tons?

A. The report will give it, I suppose, when it comes out. I have not seen the report for 1886, except a stray copy of a proof. The tons are all there. It will be in print. I can give a copy of the report for 1885, which is already printed. That gives the entire tonnage.

Q. That is less than a cent a mile?

A. Less than a cent a ton per mile.

Q. It is ninety miles from Schuylkill Haven to Philadelphia?

A. This covers the whole territory in the whole business without respect to any tances. It covers the entire transportation of coal.

Q. What was the charge from Schuylkill Haven to Philadelphia?

A. One dollar and fifty cents a ton.

Q. That is an average of considerably over a cent and a half?

A. Yes, sir.

Q. The charge from Schuylkill Haven to Philadelphia is very largely in excess of average, is it not?

A. Yes, sir.

Q. Why should that be?

A. I do not know.

Q. You also told us that in coal trains the cars are always returned empty, so that y have a load but in one direction?

A. Yes, sir.

Q. Is not that to a very large extent true of all freight-cars?

A. No, sir. It is to some extent. Is it not to a very large extent. It is growing and less every year.

Q. Coal trains are unusually long trains, are they not?

A. They are usually long trains.

Q. A coal train as compared with other kinds of freight trains is an unusually long in, is it not?

A. Not necessarily so. We have long trains of freight as well.

Q. What is the ordinary size of a freight train not composed of coal-cars?

A. That depends entirely upon the grades that are passed over and considerations of many kinds. There may be five cars, or ten cars, or twenty cars, or forty cars, just as it happens to be. If they have the grades favorable they can haul sixty cars.

Q. You were asked on Saturday to produce certain papers. On page 103 you stated that you had not the return by the Lehigh Valley Railroad?

A. I have since supplied it, and it is printed in the report of my testimony.

Q. That is the correct return as furnished?

A. Yes, sir.

Q. On pages 111 and 122 you were asked for a tabulated statement. Have you prepared that?

A. Yes, sir; I have prepared a table of the monthly allotments and monthly production of each interest for the year 1885 and for the year 1886, excepting the production for the month of December, 1886, which is not yet completed.

(Statements produced by the witness offered in evidence. The statements are as follows:—)

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1885.

	January.	February.	March.	April.	May.	Jun.
Philada. and Reading R. R.:						
Production	601,970.10		668,687.18	965,550.62	941,295.06	[illegible]
Quota	583,750.00		668,300.00	862,400.00	832,400.00	[illegible]
Lehigh Valley R. R.:						
Production	340,744.14		361,276.06	498,791.05	464,563.06	[illegible]
Quota	294,000.00		352,800.00	470,400.00	470,400.00	[illegible]
Dela., Lacka. and W. R. R.:						
Production	238,419.11		365,971.07	296,237.02	325,785.14	[illegible]
Quota	240,750.00		288,960.00	285,200.00	285,200.00	[illegible]
Dela. and Hudson Canal Co.:						
Production	164,996.16	48	190,506.18	268,338.01	268,708.10	[illegible]
Quota	165,000.00	00	198,000.00	264,000.00	264,000.00	[illegible]
Pennsylvania R. R.:						
Production	203,509.08		277,421.15	272,550.02	267,[illegible].01	[illegible]
Quota	120,000.00		144,000.00	192,000.00	192,000.00	[illegible]
Pennsylvania Coal Co.:						
Production	64,004.12	91,372	93,815.08	109,506.15	108,775.[illegible]	[illegible]
Quota	75,000.00	75,000	90,000.00	120,000.00	120,000.00	[illegible]
N. Y., Lake Erie and W. R. R.:						
Production	22,667.10		48,210.18	45,604.13	58,797.[illegible]	[illegible]
Quota	22,500.00		27,000.00	36,000.00	36,000.00	[illegible]
Total production	1,641,803.01	1,767	2,025,790.00	2,336,223.05	2,430,788.15	[illegible]
Total quota	1,500,000.00	1,500	1,800 000.00	2,400,000.00	2,400,000.00	[illegible]

	July.	August.	September.	October.	November.	December.
Philada. and Reading R. R.:						
Production	1,057,660.16	1,181,775.08	1,166,061.16	1,237,320.16	1,174,452.06	1,135,716.[illegible]
Quota	1,087,800.00	1,262,625.00	1,262,625.00	1,262,625.00	1,262,625.00	815,850.[illegible]
Lehigh Valley R. R.:						
Production	562,481.16	548,038.15	651,033.05	700,783.06	660,544.16	629,658.12
Quota	548,800.00	637,000.00	637,000.00	637,000.00	637,000.00	411,[illegible]
Dela., Lacka. and W. R. R.:						
Production	455,110.08	521.488.05	524,016.02	642,160.11	528,237.11	388,944.[illegible]
Quota	449,400.00	521,625.00	521,625.00	521,625.00	521,625.00	337,[illegible]
Dela. and Hudson Canal Co.:						
Production	278,186.16	262,300.09	359,961.10	387,376.05	384,867.01	318,314.[illegible]
Quota	308,000.00	357,500.00	357,500.00	357,500.00	357,500.00	231,[illegible]
Pennsylvania R. R.:						
Production	261,983.06	298,507.05	331,182.08	341,196.00	308,964.02	301,357.[illegible]
Quota	224,000.00	260,000.00	260,000.00	260,000.00	260,000.00	168,[illegible]
Pennsylvania Coal Co.:						
Production	136,145.01	146.027.16	161,153.13	183,809.19	159,086.01	145,062.[illegible]
Quota	140,000.00	162,500.00	162,500.00	162,500.00	162,500.00	105,[illegible]
N. Y., Lake Erie and W. R. R.:						
Production	49,438.12	65,772.03	65,774.12	69,570.10	62,964.01	77,[illegible]
Quota	42,000.00	48,750.00	48,750.00	48,750.00	48,750.00	31,500.[illegible]
Total production	2.801,006.15	3,023,910.03	3,259,183 04	3,562,166.07	3,279,116 01	2,[illegible]
Total quota	2,800,000.00	3,250,000.00	3,250,000.00	3,250,000.00	3,250,000.00	2,100,[illegible]

190 1885.

	January.	February.	March.	April.	May.	June.
Philada. and Reading R. R.:						
Production	700,173.07	755,720.06	929,828.06	780,226.03	895,875.10	1,024,213.05
Quota	....	....	....	752,200.00	752,200.00	902,640.00
Lehigh Valley R. R.:						
Production	446,496.15	480,735.18	524,341.00	476,332.00	459,852.16	464,272.03
Quota	....	....	....	379,400.00	370,400.00	455,280.00
Dela., Lacka. and W. R. R.:						
Production	496,760.03	418,299.02	484,883.19	517,331.13	332,117.02	368,273.08
Quota	....	....	....	310,800.00	310,800.00	372,960.00
Dela. and Hudson Canal Co.:						
Production	313,685.17	319,052.19	356,490.13	211,122.06	216,458.19	252,984.04
Quota	....	....	....	213,000.00	213,000.00	255,600.00
Pennsylvania R. R.:						
Production	232,521.10	267,070.08	282,107.17	204,578.08	205,272.15	307,422.10
Quota	....	....	....	209,000.00	209,000.00	250,800.00
Pennsylvania Coal Co.:						
Production	83,580.02	77,347.19	114,241.02	95,136.04	96,780.00	115,544.07
Quota	....	....	....	96,800.00	96,800.00	116,160.00
N. Y., Lake Erie and W. R. R.:						
Production	65,617.15	66,789.10	67,509.00	60,000.00	27,322.03	40,667.17
Quota	....	....	....	38,800.00	38,800.00	46,560.00
Total production	2,358,271.09	2,385,028.02	2,759,391.19	2,194,726.14	2,253,639.05	2,592,318.03
Total quota	....	....	....	2,000,000.00	2,000,000.00	2,400,000.00

	July.	August.	September.	October.	November	December.
Philada. and Reading R. R.:						
Production	949,568.07	981,070.17	1,081,257.01	1,329,678.04	1,246,875.18	....
Quota	940,250.00	940,200.00	1,034,275.00	1,316,350.00	1,222,325.00	940,250.00
Lehigh Valley R. R.:						
Production	437,827.17	511,050.03	533,111.11	666,243.16	627,332.16	....
Quota	474,250.00	474,250.00	521,675.00	663,950.00	616,525.00	474,250.00
Dela., Lacka. and W. R. R.:						
Production	390,122.12	425,101.00	452,370.16	550,019.18	529,108.17	....
Quota	388,500.00	388,500.00	427,350.00	543,900.00	505,050.00	388,500.00
Dela. and Hudson Canal Co.:						
Production	266,049.18	268,159.12	292,831.10	372,761.10	349,844.07	....
Quota	266,250.00	266,250.00	292,875.00	372,750.00	346,125.00	266,250.00
Pennsylvania R. R.:						
Production	288,853.18	301,694.14	322,185.07	356,237.07	312,204.03	....
Quota	261,250.00	261,250.00	287,375.00	365,750.00	339,625.00	261,210.00
Pennsylvania Coal Co.:						
Production	99,852.03	136,426.07	155,751.09	166,110.04	146,528.03	....
Quota	121,000.00	121,000.00	133,100.00	169,400.00	157,300.00	121,000.00
N. Y., Lake Erie and W. R. R.:						
Production	71,033.18	60,498.11	55,863.18	71,123.16	65,742.07	....
Quota	48,500.00	48,500.00	53,350.00	67,900.00	63,050.00	48,500.00
Total production	2,433,348.13	2,682,001.13	2,836,472.01	3,512,177.15	3,277,636.11	....
Total quota	2,500,000.00	2,500,000.00	2,750,000.00	3,500,000.00	3,250,000.00	2,500,000.00

191 Q. On page 124 you were also asked to examine your letters and to see whether there were any which bore upon the question of adjustments of accounts between the different companies. Have you done that?

A. I have done that, and I will answer that I find no letters bearing upon the adjustments of the accounts between the two companies, except letters applying entirely to details of figures, which would only lead to confusion, but I have brought them all with me, and you are at liberty to go over them and pick out just what you please. I attempted to make a selection and found that it would be so voluminous, and not bearing upon the subject at all, that I concluded to give you the opportunity to take what you liked. They are at your service.

(Witness produces letters.)

Q. There is everything in these summaries for 1885 and 1886 which you have made that is in the printed reports?

A. I believe so. They are intended to cover the same figures. The allotments are not in the printed reports.

Q. The figures in red ink are the production and those in black the allotment?

A. It is so stated in the notation. Those in red ink are the actual production and those in black ink the allotments.

Q. How much coal was consumed in the city of Philadelphia during the years 1885 and 1886?

A. In round figures, about 2,100,000 tons.

Q. Each year?

A. It was very nearly the same each year. In the year 1885 it was a little less than the year 1884, I believe; just a trifle. In round figures they are as I have stated.

Q. How much coal was consumed in the city of Philadelphia in the year 1886?

A. I can not state that.

Q. How much in the year 1883?

A. I can not tell you that, for I have not them with me.

Q. How much was 1885 short of 1884?

A. Less than 100,000 tons. I forget just the amount.

Q. How do those figures compare with ten years ago?

A. I can not tell you. Nobody compiled those figure that I know of so far back as that.

192 Q. How far back can you tell us?

A. I do not know whether I did not get about the first date. I had not heard of any before that. In the year 1885 the coal consumed in the city of Philadelphia was 2,088,665 tons; in the year 1884, 2,112,672 tons.

Q. Have you for any years beyond that?

A. I have not them with me. I think I have them for a year or two further back in another book.

Q. Will you please send us that information as far back as you have them?

A. Yes, sir.

By Mr. DICKSON:

Q. Have you statements of the amount of bituminous coal consumed?

A. No, sir; I have not.

By Mr. GENDELL:

Q. The consumption of bituminous coal in the city of Philadelphia has largely increased, has it not, in the last year or two?

A. I do not know. I can not answer from positive knowledge. My general impression would be that it has increased somewhat, but I have no positive knowledge on the subject.

J. LOWRIE BELL, having been duly affirmed, was examined as follows:

By Mr. GENDELL:

Q. What is your employment?

A. Traffic manager of the Reading Railroad.

Q. How long have you held that position?

A. I have been connected with the Reading Railroad for nearly thirty years.

Q. Are you connected with the branch of the railroad that regulates the freights and the price of coal?

A. I have nothing to do with the price of coal; no, sir.

Q. Do you know the price of coal in the city of Philadelphia from time to time?

A. Not as part of my business; no, sir.

Q. Do you know it apart from your business?

A. Not other than a casual knowledge. I have no knowledge that is continuous at all.

193 Q. What is the present price of coal at Port Richmond for shipment beyond the capes of the Delaware, the price for shipment within the harbor, and the price for city consumption?

A. I would have to refer you to the price circulars for the price for coal outside of the capes.

Q. Have you those circulars?

A. I have not.

Q. Who has them?

A. The sales agents of the individual or of the coal and iron company.

Q. Who issues them?

A. They are issued on behalf of the coal and iron company and by each individual seller or operator.

Q. Who issues them for the coal and iron company?

A. The sales agents. That for outside the capes, Mr. Richards; that for inside the capes, Mr. Harris.

Q. Have you a copy of them?

A. I have not here; I have in my office.

Q. Were you not notified to produce them?

A. I was not.

Mr. GENDELL. We will give you notice now.

Q. Can you give us the price for harbor trade and the price for city trade?

A. No, sir; I can not, except by reference to the circulars.
Q. We would like you to produce a complete set of those circulars, running back to the first of January, 1885.
A. I will produce them. They are circulars issued for general distribution wherever changes are made.
Q. Are those circular prices adhered to?
A. Pretty generally. That is governed somewhat by competition, however.

By Mr. OLMSTED:

Q. State whether the Mr. Harris whom you named a moment ago as fixing the price for certain coal and issuing the circular was Mr. Joseph S. Harris?
A. Not at all. It is Mr. S. C. Harris.

Adjourned until Friday, January 14, 1887, at 11 o'clock a. m., at Parlor C, Continental Hotel.

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194 FRIDAY, *January 14th*, 1887, 11 a. m.

Hearing held in Parlor C, Continental Hotel, Philadelphia.

Present: The examiners (Messrs. Mitchell and Chamberlin); Messrs. Gendell, Snodgrass, and Cassidy for the Commonwealth; Messrs. Olmsted, Wolverton, Kaercher, Dickson, Drinker, Scott, Ashhurst, Morris, Gowen, and Barnes for defendants.

JOHN LOWBER WELSH, having been duly affirmed, was examined as follows:

By Mr. GENDELL:

Q. What is your business?
A. Shipping and commission merchant.
Q. Are you connected with the Reading Railroad Company?
A. No, sir.
Q. Are you one of the syndicate formed for the purpose of reorganizing that company?
A. Yes, sir.
Q. Have you with you a letter, or a copy of a letter, written by you on September 17th last, with reference to the reorganization of that company?
A. No, sir.
Q. Can you produce such a copy?
A. Yes, sir.
Q. Who has the original?
A. I don't remember who has the original.

By Mr. CASSIDY:

Q. To whom was it addressed?
A. I should have to get the letter to enable me to state.

By Mr. GENDELL:

Q. What is the date of that letter?
A. I am unable to recall at the moment.
Q. You understand what the letter is to which reference is made?
A. I believe I do.

Mr. DICKSON: Mr. Norris can find a copy of the letter in the newspapers. We
195 have no objection to taking a copy from the newspapers, subject to objection as to relevancy and incompetency.

The WITNESS. There will be no trouble about giving the date. I can give the date.

(It was agreed that Mr. Norris should furnish copy from the newspapers.)

S. C. HARRIS, having been duly affirmed, was examined as follows:

By Mr. GENDELL:

Q. You are a sales agent for the Philadelphia and Reading Coal and Iron Company?
A. Yes, sir.
Q. For the sale of coal?
A. Yes, sir.
Q. Are you familiar with the prices of coal from time to time?
A. I am. I help to make the prices.
Q. How are those prices regulated, and by whom?

A. On the second Thursday of each January of each year the coal operators of the Schuylkill region meet in the city of Philadelphia and select five men, consisting of members of the Coal Exchange, to meet with a committee of the Lehigh Coal Exchange, of about the same number, each month to fix the prices for the ensuing month for the city and harbor of Philadelphia only.

Q. What constitutes the Schuylkill Coal Exchange?

A. All the operators of the Schuylkill coal region; individual operators as well as the Coal and Iron Company. I represent only the Coal and Iron Company.

Q. What do you mean by operators—miners?

A. No; those who operate and work coal mines we call operators.

Q. And those who ship coal also?

A. Operators at times ship their own coal, but they sell it to shippers, as a usual thing.

Q. How many members are there of the Schuylkill Coal Exchange?

A. I think the list consists of about thirty.

196 Q. Is it a regular organization; has it a president and secretary?

A. Yes, sir.

Q. Who is the president?

A. Mr. John E. Graeff.

Q. Who is the secretary?

A. Henry Gawthrop.

Q. Were you present at their meeting in January last?

A. Yes, sir.

Q. Who composed the committee then appointed to regulate the prices for the year 1886?

A. John E. Graeff, John Donaldson, Robert C. Thomas, John Milnes, and S. C. Harris for 1886?

Q. S. C. Harris being yourself?

A. Yes, sir.

Q. Whom do these other parties represent?

A. They represent the individual operators in the Schuylkill region—about twenty-five or thirty.

Q. I mean to say, are the other four gentlemen individual operators, or are they officers of corporations?

A. They are operators and agents for operators. They simply represent all the individual operators of Schuylkill County to fix the prices.

Q. Is Mr. Graeff an individual operator himself?

A. Yes, sir.

Q. How is it with the other three?

A. Donaldson was an individual operator at one time, but he was not in 1886—not in the latter part—he was, I think, in the early part of 1886. P. C. Thomas is an operator. John Milnes represents the Draper Coal Company. He is the agent for the sale of their coal, and represents them in this Coal Exchange. I represent the Philadelphia and Reading Coal and Iron Company's interests.

Q. Who are the committee appointed by the Lehigh Coal Exchange?

A. They have four, or at least had last year, 1886. They were Ario O. Pardee, jr., E. Hill, Mr. Fanshawe, and the fourth is Seth Caldwell.

197 Q. Are they individual operators or representatives of corporations?

A. Mr. Caldwell is the president of the Buck Mountain Coal Company, which is an active mining company. E. Hill represents the Lehigh Coal and Navigation Company; he is the agent of the Lehigh Coal and Navigation Company. Ario O. Pardee has mines of his own. Mr. Fanshawe represents the Lehigh Valley Coal Company's interests.

Q. Who are the officers of the Lehigh Exchange?

A. I do not know.

Q. You say that the Schuylkill Coal Exchange met yesterday?

A. Yes, sir.

Q. Were the same officers re-elected?

A. Re-elected with one more. We appointed six men instead of five.

Q. Who was the sixth?

A. Joseph L. Osler. We increased the number to six.

Q. Who is Joseph L. Osler?

A. He represents a large colliery in Schuylkill County.

Q. Of his own?

A. No, sir; he represents the Lawrence Coal Company, of Schuylkill County.

Q. Were the president and secretary re-elected?

A. Yes, sir.

Q. Do these two coal exchanges represent the entire anthracite-producing interests of the Commonwealth of Pennsylvania?

A. No, sir; they simply regulate the prices of coal for the city and harbor for Philadelphia.

Q. I did not intend to ask you what coal they fixed the prices for. I meant to ask you whether the members of these two exchanges are supposed to be all the producers of anthracite coal?

A. No, sir.

Q. Is there any other coal exchange?

A. I do not know of any other. The Lehigh and Schuylkill Coal Exchanges do not represent the Wyoming region.

198 Q. Do they represent all the producing regions except the Wyoming substantially?

A. They represent the Schuylkill and Lehigh. They do not represent the Pennsylvania Railroad Company's interests. They have a meeting of their own—meetings of their agents and fix their prices.

By Mr. CASSIDY:

Q. Do you know how they are designated?

A. The sale agents, I believe, meet.

Q. Where do they meet?

A. I think at their main building, the Pennsylvania Railroad Company's main office.

Q. When do you meet?

A. We meet about three or four days prior to the end of each month.

By Mr. GENDELL:

Q. When do the Pennsylvania Railroad people meet?

A. They meet about the end of the month—the last day, or a day or two before the end of the month.

Q. They meet immediately after you do?

A. Yes, sir.

Q. And, in point of fact, their prices are substantially regulated by the prices that you fix?

A. I can't answer that.

By Mr. CASSIDY:

Q. How do you know what they do?

A. We give them our circular.

Q. They receive your circular before they meet, do they not?

A. As a rule they do; yes, sir.

By Mr. GENDELL:

Q. What was the price of coal in Philadelphia during August last?

A. We did not advance until September. It was two dollars and eighty-five cents plus one dollar and fifty cents delivered at Philadelphia.

Q. What do you mean by "two dollars and eighty-five cents plus one dollar and fifty cents"?

199 A. Two dollars and eighty-five cents a ton at Schuylkill Haven for the coal, our shipping point, and one dollar and fifty cents for transportation to Philadelphia. I think I am correct in that. Our circulars will show.

Q. When was the price of coal raised?

A. It was raised in September to three dollars a ton.

By Mr. CASSIDY:

Q. In September to take effect in the following October?

A. Yes, sir.

By Mr. GENDELL:

Q. What day in September?

A. About the 24th or 25th.

(Witness shown circular.)

The WITNESS. That was on September 24th, for October prices. It sold for three dollars a ton at Schuylkill Haven plus one dollar and fifty cents railroad tolls, making four dollars and fifty cents a ton delivered in cars at the city of Philadelphia.

Q. When was the next raise?

A. We have not raised it since.

Q. Has that price remained until the present time?

A. Yes, sir.

Q. What was it at the same time; that is to say, in August and from August down, for harbor and outside shipments?

A. For outside shipments four dollars a ton f. o. b. here in the city of Philadelphia for stove coal. Of course I mean the price for stove coal.

By Mr. KAERCHER:

Q. All that you have said in regard to price relates to stove coal?

A. Yes, sir.

By Mr. GENDELL:

Q. That was the price at what date?

A. That was the price f. o. b. in August, and is the price now.

Q. There has been no rise in prices since August?

A. I think not.

200 Q. And of that four dollars, how much represents the cost of putting it on the vessel?

A. One dollar and sixty-seven cents.

Q. What does that one dollar and sixty-seven cents represent?

A. The cost of putting it on the vessel.

Q. From where?

A. From the mines. We [illegible] two dol[illegible] [illegible]irty-three cents at the mines for the coal, and one dollar and [illegible] seven [illegible] road expenses from the mines.

Q. What is the expen[illegible] the [illegible] Schuylkill Haven?

A. The average rate is a[illegible]

Q. What was the cost of [illegible] in the vessel?

A. The railroad c[illegible]ges [illegible] a ton.

Q. So that the ne[illegible] on the car a[illegible] [illegible]nond is three dollars and eighty-five cents?

A. When you add the shipping expenses it is four dollars.

Q. And less the shipping expenses it would be three dollars and eighty-five cents?

A. Yes, sir.

Q. That is three dollars and eighty-five cents on the car at Port Richmond for outside shipments?

A. Not on the car for o[illegible]

Q. Three dollars and ei[illegible] the [illegible]ar; it is equivalent to three dollars and eighty-five cents on t[illegible] [illegible]ents at Port Richmond not adding the shipping expenses, a[illegible] [illegible]cents on the car in the city of Philadelphia for city trade. Is th[illegible] wh[illegible] you[illegible]

A. That is it; yes, sir; four dol[illegible] [illegible]nts.

Q. What was in August, and wh[illegible] [illegible]en the cost free on board, for harbor shipments?

A. The price since August is four dollars and twenty cents a ton f. o. b. Port Richmond.

Q. In and since August?

201 A. I don't remember what it was in August. It might have been fifteen cents less. Without looking at my record I can not say. But since August, and it is now four dollars and twenty cents a ton f. o. b.

Q. These are the circular prices which you have given us?

A. Yes, sir; the circular prices.

Q. Were the circular prices maintained in August?

A. Well, that is a pretty hard question to answer, whether they were or not in August.

Q. What was the actual selling price in August?

A. That was our price, four dollars and twenty cents. In August did you say?

Q. In August.

A. That is going back a pretty good distance. I can not remember so far back.

Q. Was there not a considerable cut below circular prices at that time?

A. There may have been.

Q. Was there not?

A. I do not know. I can not tell without looking at the record.

Q. What is your best memory?

A. Well, I judge from recollection that the prices were about fifteen cents a ton off the present price in the month of August.

Q. Off the circular prices?

A. Off the circular prices.

Q. How are the prices now?

A. Full circular prices, with probably an exception here and there.

Q. The other companies likewise maintain full circular prices at the present time, do they?

A. I think they do. I have not heard of any cutting.

Q. But in August it was common to cut for all companies?

A. Yes, sir. We were not adhering strictly then to the circular.

Q. That was so among all the companies?

A. Yes, sir.

202 Q. Your prices are substantially the same as those of the Pennsylvania Rail-

road Company and of all the other companies during the times that you have mentioned?

A. In the city and harbor of Philadelphia I think they were pretty well maintained by everybody.

Q. During all this time that you have mentioned the prices which you have named are the prices for the entire trade, including not only your own company and those in your exchange, but also those of the Pennsylvania Railroad Company's collieries?

A. I can not answer for the other companies, but my impression is that they were kept pretty well.

By Mr. CASSIDY:

Q. But you do not know?

A. I do not know that there was any difference between us. I think we all try to do as well as we can in the business. I do not think there is any exception. We do not cut for fun. If the trade is dull we have got to sell the coal.

Q. You have got to look out if trade is dull?

A. We must do it in dull times.

Q. You do the best you can?

A. We must keep the mines going. We can not stop mining coal.

By Mr. GENDELL:

Q. Do you know the prices of coal in New York City?

A. I am not very familiar with them. That is out of my territory.

By Mr. CASSIDY:

Q. Still, you keep your knowledge up on that subject?

A. I try to do that, but still I do not want to be answerable for New York trade.

By Mr. GENDELL:

Q. The relative prices in all the companies, both in New York and Philadelphia, remain the same, do they not; that is to say, all the companies sell at about the same price in New York and all the companies sell at about the same price in Philadelphia? 203

A. My understanding of New York is that it costs the same to get coal from their mines as it does to get coal to Philadelphia from our mines.

Q. I do not mean between the various companies selling in New York. They remain about the same price, and the companies in Philadelphia sell about the same price, do they not?

A. I think so.

Q. When this advance was made to take effect October the 1st, the advance was general throughout the trade?

A. I think it was pretty general; yes, sir.

Q. Do you know of any that did not make the advance?

A. No, sir; I can not tell.

Q. It is your business to keep the run of the trade throughout?

A. Only for ourselves.

Q. But for your purposes you keep the run of prices?

A. We try to look around to see if there is anybody cutting at times. If there were we would have to follow suit. I do not think there is any cutting done now.

CROSS-EXAMINATION.

By Mr. KAERCHER:

Q. You have spoken of the Schuylkill Exchange as representing individual operators. How many individual operators in the Schuylkill region are represented in that exchange of which Mr. Graeff is the president?

A. The list of 1886 comprises, I think, about thirty members. I have not seen the list for 1887.

Q. That is thirty individual operators or corporations, other than the Coal and Iron Company, who are engaged in the production of anthracite coal in the Schuylkill region?

A. Yes, sir.

Q. These meetings which you have spoken of, which were of these interests for conference in regard to prices, have been held, you said, from time to time during the past two years?

A. These meetings are held once a year; the second Thursday of January of each year is the appointed time.

204 Q. When these committees are appointed of which you spoke?

A. Yes, sir; they are appointed at that time.

Q. They meet from time to time and circulars in regard to prices are issued as the result of their conference?

A. Once a month.

Q. State whether those prices are made known to the public at the time they are agreed upon.

A. We issue circulars to our agents and distribute them to the press or anybody who wants them.

Q. And they are published in the daily papers, are they not?

A. Some of them I think publish them.

Q. And they constitute the schedule rates at which the Coal and Iron Company and other producers offer their coal for sale?

A. Yes, sir.

Q. State whether or not in regard to special coals individual operators, corporations, and the Coal and Iron Company have to ask special prices irrespective of the circular prices.

A. I hardly caught your question.

Q. State whether or not there are special coals produced by different individual operators and at different mines for which you have special rates.

A. Yes, sir; special coals. We have some of our own for which we ask special prices higher than the white ash prices. We have special coals that are much higher.

Q. These prices that you speak about are prices for white ash coal?

A. I so intended it.

Q. When you have spoken in your testimony about the price of coal per ton, you have alluded to the price of stove coal?

A. In each case.

Q. That is the leading quality, is it not, the highest priced coal which is produced?

A. It is the size on which the others are based in every instance.

205 Q. You sell large quantities of coal, do you not, that is sold at lower rates?

A. Yes, sir.

Q. When stove coal is selling, say at three dollars a ton, what is the price for pea and buckwheat coal?

A. We are selling pea coal to-day at Schuylkill Haven at one dollar and a quarter a ton; buckwheat from seventy-five to eighty-five cents and ninety-five cents a ton. There is no particular price for that. We are selling chestnut coal at twenty-five cents less, and egg coal at twenty-five cents less than stove.

Q. You spent some years of your life in the anthracite coal region, did you not?

A. Yes, sir.

Q. You are somewhat familiar with the method of mining coal and its preparation for market?

A. I have been out of that since 1873, and I do not know that I know much about it now.

Q. But you did have charge of a colliery in Schuylkill region at one time?

A. Yes, sir.

Q. State how these various sizes of coal are produced in the breaker.

A. They are mined and the coal is put into cars in the mines in different sizes, all mixed up, from lump down to pea coal.

Q. How does it get into different sizes? Is it mined in those sizes?

A. No, sir; it is run through screens at the breaker. We have screens with segments for each size of coal.

Q. It is crushed and broken by rollers when it is brought from the mines?

A. Yes, sir; it is crushed.

Q. Describe what those rollers are and how they break the coal.

A. They are made tooth to fit in space; the coal drops from the platform into the revolving rollers and crushed.

206 Q. Then as it passes out from the roll where it is crushed and broken it is passed into a screen with various sized meshes?

A. Yes, sir.

Q. That separates it into the different sizes, does it not?

A. Yes, sir; pea, nut, small stove, stove, egg, and so forth. The size beyond egg goes out at end of the screen.

Q. Being retained by the meshes until it reaches that point?

A. Yes, sir.

Q. What proportion in the breaking up of this coal is brought to the tip and dumped into the rolls goes into the dirt heap as waste?

A. I think about half that we mine is wasted—fifty per cent.

Q. That is to say, out of two tons of coal that you drop into the rolls, you get only about one ton of prepared coal that can be shipped to market?

A. Yes, sir; I think so.

Q. And that does not include the wastage that takes place in the mines?

A. Yes, sir; I mean that; I mean all the waste.

Q. Of that ton of prepared coal that you get out of two tons mined, the percentage of stove coal is what?

A. Twenty-five per cent. is stove coal.

Q. And the rest is of the inferior and lower-priced grades?

A. Yes, sir. I can give you the percentages: 3 per cent. of lump, 11 per cent. of steam-boat, 15 per cent. of broken, 16 per cent. of egg, 25 per cent. of stove, 14 per cent. of nut, and 16 per cent. of pea. I include the buckwheat and pea in the 16 per cent.

Q. The breaking up of this coal becomes necessary, does it not, for the purpose of making it suitable for use for domestic purposes?

A. Yes, sir; it could not be sold at this time without breaking it. The consignee, or the person who purchases it, would have to break it if we did not.

207 Q. State whether, except for the fact that you have to prepare it and put it into such shape that it shall be available for domestic purposes, the coal at the mines would be broken up or crushed at all. State whether it would not be shipped just as it comes from the mine, removing the slate. In other words, whether you crush your coal to get the pea and chestnut and small sizes, or whether that is the result of the crushing.

A. That is the result of the crushing.

Q. But you do not do it for the purpose of making chestnut or pea, or the lower sizes of the coal?

A. No, sir; that is the result of the crushing.

Q. So that it is the fact that the preparation of the coal at the mines for domestic use results, first, in a wastage, which you have described as amounting to one-half of the product mined, and, second, in the production of other sizes of coal, such as chestnut and pea, which you have stated you sell at the low price of a dollar a ton at Schuylkill Haven?

A. Yes, sir; pea and buckwheat.

Q. State whether or not, by reason of the competition with bituminous coals for manufacturing purposes, you have been compelled to throw away a large portion of your product during the last two years of pea and buckwheat coal; whether you have been able to use it and sell it at all.

A. We have thrown some away on the dirt heaps in Schuylkill County, and that which we sent to market for manufacturing purposes we sell pretty low to meet the soft coal competition.

Q. State whether that coal, taking the average prices of the coal, is sold largely below the cost of production.

A. Yes, sir; a good deal below the cost of production.

Q. What basis had you in determining what price should be charged for coal at the meetings of which you have spoken.

A. We have no basis. We are guided by common sense.

Q. State whether you did endeavor to establish common sense prices for coal at the various times at which you did fix them.

A. That is what we tried to do; yes, sir.

208 Q. State whether or not, in your judgment, adequate prices regarding the cost of production, the value of the thing produced, and the cost of its transportation were fixed by the meetings of which you have spoken.

A. No; I think we fixed them rather low in each case the last two or three years.

Q. Why do you think that the prices which you fixed were low?

A. The result of our experience of 1886 was that we lost about thirty cents a ton in mining. That shows that we made it too low during 1886.

Q What constitutes the chief element in the cost of the production of coal?

A. Labor.

Q. State whether the labor is paid in Schuylkill County and throughout the Schuylkill region on a basis regulated by the price of coal.

A. Yes, sir.

Q. State whether it would have been possible to have produced the coal which you sold for the Coal and Iron Company at lower prices than were fixed, except by a reduction of the wages paid to the miners and men employed in producing it.

A. We could not have produced it any lower.

Q. You have stated that it was sold at about thirty cents below the cost of production?

A. I think that is about it.

Q. You have also stated that labor constitutes the largest element in the cost of the production?

A. Five-sixths of the cost to produce is labor.

Q. And you have stated that the labor is paid on the basis of the price received for the coal?

A. Yes, sir.

Q. Do you think that in order to have produced that coal so that coal could have been sold cheaper it would have been just, under the conditions existing in 1886, to have reduced the price paid to the laborer engaged in mining the coal?

A. Indeed I do not. It would not have been right to reduce it.

209 Q. Do you know of any other way, from all your experience and knowledge, in which coal could have been produced cheaper, except by reducing the wages of the men engaged in the mining of it during that period of time?

A. I do not know of any other.

Q. Have you ever heard any way suggested by anybody in the trade or business or anybody out of it by which that result could have been reached?

A. I think not.

Q. What territory is embraced within your department for the sale of coal belonging to the Philadelphia and Reading Coal and Iron Company?

A. The Southern States, Delaware, Pennsylvania, and southern half of New Jersey.

Q. State whether throughout this territory you sell whatever portion of the product of the Philadelphia and Reading Coal and Iron Company is delivered into that territory.

A. Yes, sir.

Q. Is it the fact, or not, that coal is sold and delivered by the Philadelphia and Reading Coal and Iron Company throughout any portion of this territory at lower prices in the aggregate than the cost of the sale of the coal and its delivery in the city of Philadelphia and the State of Pennsylvania to consumers residing in Philadelphia or Pennsylvania?

A. The cost of delivery of coal is higher everywhere else than it is here. For instance, the price of coal delivered to Philadelphia is $4.50 a ton; the price of coal delivered to Baltimore is $4.70 a ton; the price of coal delivered to Washington is $4.70 a ton; the price of coal delivered to Richmond, Virginia, is $4.85 a ton; the price of coal delivered to Norfolk is $4.85 a ton; the price of coal delivered to Wilmington, North Carolina, is $5 per ton; the price of coal delivered to Savannah, Georgia, is $5 per ton; the price of coal delivered to Charleston is $4.80 per ton; the price of coal delivered to New Orleans I think is $6 and something. I mean white ash stove coal in each case. Everywhere it is higher than it is in the city of Philadelphia or in the State of Pennsylvania.

210 Q. State whether or not in the sales of the sizes of anthracite coal used in Pennsylvania for manufacturing purposes the most favorable rates for that coal are established for the encouragement of all industries in which smelting coals are used.

A. Pea coal, as the usual thing, is the manufacturing size in the State of Pennsylvania. We are selling the pea coal to manufacturers at a rate that I have not heard any of them growl much about. It is very low. We sold it in 1886 at one dollar a ton at Schuylkill Haven, and the railroad company charged one dollar and thirty cents to haul it to Philadelphia, making two dollars and thirty cents a ton delivered. They could not get it from any other place that I know of at that price. I think the manufacturers were all perfectly satisfied. At least, they never came to me to complain about high price.

Q. You spoke of the price free on board at Philadelphia for shipment outside the capes, I think, as four dollars a ton?

A. Free on board four dollars a ton.

Q. State whether or not the price and the rate of tolls is fixed by a percentage of the price that the Coal and Iron Company receives on the sale of the coal.

A. Yes, sir; the railroad company charges 38 per cent. of the price we sell the coal at free on board. Four dollars, 38 per cent. of which would be one dollar and fifty-two cents a ton. Then they charge us, in addition to that, the shipping expenses, fifteen cents per ton.

Q. So that the railroad company receives there for the delivery into a vessel one dollar and sixty-seven cents a ton for its service, does it not?

A. Yes, sir.

Q. From the mines?

A. From the mines.

Q. And against a delivery into a yard in the city of Philadelphia the railroad company would receive one dollar and eighty cents, allowing thirty cents for the lateral tolls?

A. Yes, sir.

Q. Those lateral tolls vary, do they not, from eight miles to thirty miles?

211 A. From eight miles to thirty miles. Thirty cents is the average lateral toll. From some collieries it is twenty-five cents and from others forty-five cents, but the average is about thirty cents.

Q. So that the actual difference in that case between the railroad company's receipts in delivering a ton of coal into a yard and delivering it into the hold of a vessel at Port Richmond is thirteen cents?

A. The difference between one dollar and sixty-seven cents and one dollar and eighty cents; yes, sir; thirteen cents.

Q. From your experience in the coal region when you were engaged in the mining business, can you tell us what is the relative quickness in the use of the equipments between Port Richmond and the mines, and the mines and the city deliveries?

A. I never gave much attention to that. I do not know that I could answer that correctly. A witness on the stand the other day answered very thoroughly. I read his testimony. I mean Mr. Jones.

Q. It has been stated here that the cars and equipment, say a train of one hundred and forty cars from Schuylkill Haven to Port Richmond, would make two trips per week in that business, whereas it could make but one trip while engaged in city delivery?

A. Mr. Jones has more experience in that than I.

Q. What is your judgment in respect to that? Would you consider that a fair estimate?

A. I think a week to make a round trip from Schuylkill Haven to the city of Philadelphia is a pretty long time, but still I do not want to contradict Mr. Jones's testimony on that point.

Q. He said from the mines?

A. It may be right. It seems to me a long time.

Q. You have not investigated that question so as to determine?

A. No, sir. It is a railroad matter and I have not bothered about it.

212 Q. State whether the difference of thirteen cents a ton between deliveries at Port Richmond into the hold of a vessel, and a dollar and eighty cents for deliveries into the yards of the retail dealers in the city of Philadelphia, in your judgment, would represent the increased cost of city deliveries over Port Richmond deliveries.

A. I think it is sufficient. If I had my choice I would rather have the one dollar and eighty cents than the one dollar and sixty-seven cents.

Q. You would?

A. Yes, sir. I think I could make more money out of it. That is the way I look at it.

Q. That is, you think you could handle more coal to city deliveries out of the equipment than you could to Port Richmond?

A. If we had the apparatus for it; yes, sir.

Q. But suppose you could deliver twice as much coal in the given time at Port Richmond as you could to the city deliveries with the same equipment, do you think you could earn the same amount of money?

A No. I would rather have it the other way then.

Q. Then it turns upon that question, does it not, as to where the speediest deliveries would be and the best use of the equipment?

A. The speediest deliveries, of course, would be Port Richmond. The question I was trying to get at was whether we could not deliver more.

Q. Assuming the fact to be that Mr. Jones is correct in his estimate, which he says from his stand-point he has determined by actual investigation, that you could deliver twice as many tons a week at Port Richmond with the same amount of equipment as you could deliver in the city of Philadelphia to the local yards, would not a rate of one dollar and sixty-seven cents a ton at Port Richmond be a great many more times profitable than one dollar and eighty cents at the local yards?

A. Yes, sir.

Mr. GENDELL. That was not Mr. Jones's testimony. He said the same cars, not the same equipment.

213 Mr. KAERCHER. There is no difference in the equipment which comes to Philadelphia and that which goes to Port Richmond.

Mr. GENDELL. Do you mean to say the engine lies idle and the trainmen lie idle in the meanwhile?

The WITNESS. We do not speak of one engine. We speak of all their engines. They have quite a number of them hauling coal, and they are the same kind of engines and the same kind of cars I suppose that is what Mr. Kaercher meant.

Mr. KAERCHER. Certainly.

Q. The equipment is used indiscriminately, both species of train?

A. Yes, sir.

Q There is not a Port Richmond equipment and a city of Philadelphia equipment?

A. No, sir.

Q. In the process of deliveries to the yards the cars are distributed, and, in the line trade, are they not at various points run into the yards, unloaded there, and specially taken out again?

A. We have special engines for it We have special engines for the Ninth-street business.

Q. The special inconvenience that puts the railroad company to is a matter you have never investigated or given any thought to?

A. I never had time to think of it, or never wanted to.

Q. Your department was quite big enough for you?

A. Yes, sir; all I could handle.

Q. Tell me how you sell your coal as sales agent. Do you sell it in car lots, two-car lots, or three-car lots?

A. We sell it to coal dealers and manufacturers. We sell them from one car up to a thousand or two thousand or ten thousand.

Q. And your deliveries would average what as to car lots? You sell a thousand tons, but you do not always deliver it in thousand-ton lots; you deliver it as it is wanted, do you not?

214 A. Yes, sir; as they want it. If a coal dealer from Philadelphia comes in and orders one hundred cars of coal for each month, and wants one hundred a month, we will divide that into three or four cars a day, so as to keep him going. We do not send it all at one time.

Q. State for your line trade and city deliveries outside of Port Richmond what would be your average number of cars that you would deliver to purchasers.

A. Each day or each month?

Q. Each day.

A. We sent yesterday 8,000 tons, that is about sixteen hundred cars, distributed all around the city and on the line. We do more business than that in summer, but that is the extent of our business now.

Q. That includes your Port Richmond business too, does it not?

A. No, sir.

Q. Would it average five tons to each purchaser per day, do you think?

A. Our purchasers on the line number seventeen hundred. It would be just about that.

Q. But there are many cases in which there are not more than one or two cars delivered at a time?

A. Yes, sir; some of them do not need any for awhile. We do not ship to each of them every day.

By Mr. OLMSTED:

Q. How long have you been connected with the Schuylkill Coal Exchange?

A. Since its incipiency, in 1874.

Q. It has been in existence since 1874?

A. It was organized in 1874.

Q. Doing business in this same manner, regulating the prices of coal as you have stated?

A. Yes, sir; about the same way.

Q. It is not a new thing, then?

A. No, sir.

Q. Is the Pennsylvania Coal Company connected with the exchange in any manner?

215 A. No, sir.

Q. I do not mean the Pennsylvania Railroad Company, but the Pennsylvania Coal Company?

A. No, sir; it is not.

Q. Is the Delaware and Hudson Canal Company represented in that exchange?

A. No, sir.

Q. Is the New York, Lake Erie and Western Railroad Company interested in any exchange that you know of?

A. No, sir.

Q. Is the Delaware, Lackawanna and Western Railroad Company represented there in any manner?

A. No, sir.

Q. I think you stated that the exchange regulated the prices only for the city and harbor of Philadelphia?

A. Yes, sir.

Q. The complaint of the Attorney-General is that certain corporations named in his bill have regulated the prices of coal. It has been shown that the presidents of certain corporations have met several times, and that they appointed a committee, of which Mr. Joseph S. Harris was the secretary. Does that committee, or Mr. Harris as the secretary, instruct the Schuylkill Coal Exchange as to the prices which it is to put for the coal?

A. We receive no instructions from any party outside of ourselves; none at all.

Q. Do you receive any suggestions from that committee, or from Mr. Joseph S. Harris, as to the price which you are to charge for any coal whatever?

A. Not at all. They never interfere with us in any way.

Q. Then the Schuylkill Coal Exchange and the Lehigh Coal Exchange also have no connection with the committee or the meeting of which Mr. Joseph S. Harris is the secretary?

A. None at all.

Q. I think you have already stated that in dull times the members do not adhere very strictly to the circular prices fixed by those exchanges?

216 A. No, sir.

Q. Is there any contract or agreement among the members that they will adhere to prices?

A. No, sir. We simply fix the prices, and that settles it for the month.

By Mr. CASSIDY:

Q. You do not expect them to?

A. Now we do.

By Mr. OLMSTED:

Q. I ask you if I am correct in supposing that you meet together and consult and agree as to what you think the price of coal ought to be for the city and harbor of Philadelphia?

A. Yes, sir.

Q. Is this matter of having an exchange peculiar to the coal business?

A. The coal exchange is peculiar to the coal business.

Q. Are there not exchanges in other branches of business?

A. I do not know of any.

Q. Are there not grain exchanges?

A. I do not know of any. There may be in Philadelphia. I have nothing to do with anything but coal.

Q. Have you ever heard of grain exchanges?

A. There is a grain exchange and there is a corn exchange.

Q. And an oil exchange. You have heard of those exchanges?

A. Yes, sir; and a nail exchange.

Q. A stock exchange?

A. Yes, sir.

Q. Are there any exchanges for the fixing of prices for pipe?

A. I have not heard of that.

Q. You have heard of the glass exchange.

A. Not exchange; I have not.

Q. A glass association?

A. I do not know that I have. I presume they have them.

Q. You have heard of the cotton exchange?

217 A. Yes, sir; in the South. Hardly any business that has not some exchange connected with it.

Q. It is quite customary in every branch of business to have some exchange for consultation as to the conduct of the business?

A. Yes, sir.

Q. This exchange of which you are a member has no connection with the meeting of the presidents of the various railroad companies of which Mr. J. S. Harris is the secretary?

A. None at all.

Q. Have you ever heard of labor exchanges or labor organizations?

A. I have heard of labor organizations.

Q. For the regulation, as far as possible, of the price of labor?

A. Yes, sir; I have heard of them.

Q. You have heard of the Knights of Labor?

A. Yes, sir.

Q. You have heard of the Workingmen's Association?

A. I have heard of the Workingmen's Association of Schuylkill County. I have heard considerable about it.

Q. Have you heard of the Printers' Association—the Type-setters' Association?

A. I presume they have an association. They ought to if they have not. Every manufacturer has his own way of doing his business, if it is not by exchange it is by some other way. We have one hundred and seventy agents. We have got to have some exchange with them. How can we get together without it?

Q. The miners have their association?

A. I believe they have. They used to have when I was in Schuylkill County.

Q. Have you heard anything about an association of topmen and trimmers at the shipping points—coal-handlers?

A. I have heard it spoken of; yes, sir.

Q. Is it not a fact that they have an association at this time?

A. I presume they have, or they would not stand out.

218 Q. Do you not know that they are on a strike at the present time?

A. Yes, sir.

Q. And has not that strike of that association resulted [illegible] ing the price of coal in New York?

A. In New York only. Not in Philadelphia.

Q. But in New York it has resulted in advancing [illegible] of [illegible]

A. The retail price only. The operators have [illegible] t advanced any that I have heard of.

Q. But that association has increased the price of coal to consumers?

A. The strikers did not put the price up.

Q. But the cost to the consumer has advanced by reason of their action?

A. On account of the scarcity of coal in New York the retail men are having a little harvest. It is not often they get it in New York. I do not think I ever heard of it before. I think it has advanced a couple of dollars a ton.

By Mr. SNODGRASS:

Q. That is owing to the scarcity, is it not?

A. Yes, sir.

By Mr. OLMSTED:

Q. That advance was not caused by what is known as the Anthracite Coal Association?

A. No, sir; we had nothing to do with it here. It was not by the strikers either. They do not advance coal. They do not have any coal.

Q. But their action, nevertheless, resulted in the advance of the price of coal to the consumers to the extent of two dollars a ton?

A. Yes, sir. It made a scarcity.

Q. The advance of the price of coal [illegible] made by the Schuylkill Coal Exchange in August last, was it or was [illegible] by the meeting of coal producers of which Mr. J. S. Harris is the [illegible] k you said you had no connection with him?

A. That committee has no connection w[illegible] our organization at all.

219 By Mr. GOWEN:

Q. In June, 1884, all [illegible] hiladelphia and Reading Coal and Iron Company was taken pos[illegible] rs appointed by the United States court, was it not?

A. I think that was the date, June, 1884.

Q. Since that time you have been acting as an officer of the receivers?

A. Yes, sir.

Q. And not as an officer of the Reading Coal and Iron Company as a corporation?

A. No; I am the line and southern sales agent for the receivers of the Philadelphia and Reading Coal and Iron Company.

Q. Since that period the Philadelphia and Reading Coal and Iron Company has neither mined nor sold coal, has it, as a corporation, but all the operations that have been carried on by that company during that period have been carried on by the receivers?

A. Yes, sir; by the receivers.

By Mr. GENDELL:

Q. When this cut of in the neighborhood of fifteen cents a ton below circular prices was made in August, did that include the city trade?

A. Yes, sir; I think everywhere.

Q. Pea and buckwheat are very small sizes of coal, are they not?

A. They are the smallest we have.

Q. They are not used at all for domestic purposes?

A. No, sir; only for manufacturing—generating steam.

Q. The freight from Schuylkill Haven to Philadelphia is one dollar and fifty cents?

A. One dollar and fifty cents a ton on the larger sizes and one dollar and thirty cents a ton on the smaller sizes.

Q. On stove?

A. On pea and buckwheat.

Q. What is it on stove coal?

A. One dollar and fifty cents.

Q. And thirty cents more from the mine?

220 A. Thirty cents more from the mine on the average.

Q. You have stated that the extra expense between Philadelphia and Charleston is only thirty cents. Is that correct? That is thirty cents from the mine to Schuylkill Haven, one dollar and fifty cents more, or one dollar and eighty cents altogether from the mines to Philadelphia, and only thirty cents more to Charleston, South Carolina?

A. I said that the price of coal delivered to Philadelphia was four dollars and fifty cents, and the price of coal delivered at Charleston, South Carolina, was four dollars and eighty cents a ton.

Q. A difference of thirty cents?

A. A difference of thirty cents.

By Mr. SNODGRASS:

Q. Why is the stove-coal rate higher than any of the other sizes?

A. Simply because there is more demand for it than any other size. It is the basis of the prices.

Q. It is based upon the demand for it, and not upon any difference in cost of production?

A. Exactly. It does not cost more to produce.

By Mr. GENDELL:

Q. The cost in Boston has sometimes been lower than in Philadelphia, has it not?

A. I couldn't answer for that section of the country.

By Mr. CASSIDY:

Q. Who can do that?

A. Thomas A. Richards has charge of that section, of New York, and the East. I do not know whether he is here or not. He knows all about that part of the country.

Q. Has it been lower in Baltimore than in Philadelphia?

A. It is higher in Baltimore.

Q. Has it not at any time been lower?

A. I do not know. When you say "any time," that is a good while back. I do not know. It may have been at some time. It is not now.

Q. During your time?

221 A. I would have to go back and look at my statistics in order to answer that. I am speaking of the present. Since October it has been higher.

Q. It would not have impressed you as out of the ordinary line if it had been lower? It would not have made any impression on you?

A. I do not see how it could be well lower.

Q. Has not the selling price of coal in Baltimore been twenty-five to thirty-five cents lower than in Philadelphia during your time? I mean coal shipped by you.

A. I do not know. I could not answer that now. I can only answer from October.

Q. It is in your territory, is it not?

A. Yes, sir. I could tell by looking at my books.

By Mr. KAERCHER:

Q. The deliveries which you have spoken of outside of Philadelphia are by water after the coal reaches Port Richmond?

A. Yes, sir.

Q. The coal is broken up when you produce these domestic sizes, is it not?

A. Yes, sir.

Q. That is the reason that this great loss which takes place in the crushing of the coal and breaking it up is occasioned, by the preparation of the coal for domestic uses, which is covered by stove and small stove and nut coal; is not that the fact?

A. Yes, sir; and egg.

Q. The waste which results is the consequence of this special preparation to produce these particular sizes, is it not?

A. Yes, sir.

Q. The small sizes which result from the crushing are unavoidable, and you sell them?

A. Yes, sir; we have to sell them.

Q. In the mining of bituminous coal, no breakers are constructed and no rolls used to crush the coal?

A. There are no rollers.

Q. The coal is brought out and loaded into cars?

A. Dumped into the chute and from that chute loaded into the cars.

222 Q. State whether or not this is not the great difference between bituminous coal and anthracite coal in respect to its preparation for market, that, in the one case, the case of bituminous coal, it is drawn from the mine, hoisted to a platform, and dumped into chutes without the construction of or the use of any machinery whatever for its preparation, and the whole product loaded as it is dumped into the chute into the cars for shipment and for use. That is the process in preparing bituminous coal, is it not?

A. That is the process with bituminous coal.

Q. What is the difference between the cost of the plant for the production of the coal in the case of bituminous coal and anthracite coal? Take a colliery of each class that would produce 300,000 tons of coal a year.

A. Taking a colliery of each class that would produce 300,000 tons a year, in the case of the bituminous coal, the outside expenses, lo[illegible] [illegible]g it from the car into the chutes and loading it; is that what y[illegible]

Q. No; I mean what would be the plant [illegible] [illegible]nery and cost of the colliery outside necessary for the [illegible] bituminous coal as against anthracite coal, comparing the [illegible]

A. A chute that will enable an oper[illegible] bituminous region to ship 300,000 tons of coal a year will probably cost h[illegible] whereas to produce that amount of anthracite coal will cost ab[illegible]000. [illegible]ly $70,000 or $75,000.

Q. That would be the cost of the [illegible]aker?

A. Yes, sir; and the machinery i[illegible]

Q. State what the process of pre[illegible] coal [illegible] the breaker is; whether it is done by few or many people? I mean [illegible]

A. A breaker in the anthracite [illegible] would produce 200,000 tons a year would employ about one hundred slate-p[illegible] young fellows from probably ten years of age up to old men—decrepit old men fi[illegible] or [illegible] years of age.

Q. How many men would be employ[illegible] in [illegible] preparation in addition to the slate-pickers?

A. Do you mean outside of the mines?

223 Q. I mean in the breaker and connected with the preparation of the coal and the machinery to prepare it.

A. I presume about six or eight.

Q. Would that include the men at the top to unload the coal?

A. I am mistaken about that. There would be [illegible] platform men. There would be about eight of those and two dumpers on top, two [illegible] bank boys, &c.—say about fifteen to twenty additional men besides the [illegible]

Q. How many engineers and fire[illegible] [illegible]ers?

A. One engineer. Do you mean for the whole construction outside?

Q. Yes; all that is necessary to maintain this anthracite breaker.

A. There is the engineer of the hoisting engine, two firemen, the pumping engineer, the engineer for the fan. There are in all five or six engineers in a large colliery.

Q. There would be about one hundred and [illegible]enty or more persons, would there not, engaged in the preparation of this coal in [illegible] way that you have stated in an anthracite breaker, as against how many on a b[illegible]inous chute?

A. I am not so familiar with the bitumino[illegible] [illegible]t I do not think they would use over a half a dozen men.

Q. It would be about as a half a dozen is to a hundred and twenty, would it not?

A. About that.

Q. So that you not only have the additional cost of the plant in the preparation of anthracite coal as against bituminous coal, but you have the wastage which results from the crushing of the coal and throwing it on the dirt bank, but you have that additional force of men employed in its proper preparation and cleaning for use?

A. Yes, sir.

By Mr. DICKSON:

Q. A colliery that would produce 300,000 tons a year would be obliged to have a capacity of over 1,000 tons a day, would it not?

A. About that.

224 Q. You practically count about two hundred and forty working days in a year?

A. Two hundred and forty to two hundred and fifty. It would have to have a capacity of a little over 1,000 tons a day.

Q. When were you last in a breaker that was producing 1,250 tons a day?

A. I have not been in one since 1873.

Q. How many has the Reading Coal and Iron Company that ship that amount?

A. We have two; the Brookside and the Ellan Gowan.

Q. Will you please make inquiry and see if you have not underestimated the number of men required by nearly one-half?

A. I guess I have hit it pretty well, from my experience at that time. I do not know whether they employ more men now than they used to fourteen years ago. I will make inquiry.

By Mr. KAERCHER:

Q. State whether or not it is a fact that in the city of Philadelphia and the State of Pennsylvania there is a superior quality of coal delivered to the purchasers as against the deliveries from Port Richmond for points outside. State whether the city of Philadelphia and the State of Pennsylvania in their dealings with the Reading Coal and Iron Company have the benefit of a superior quality of coal in general.

A. The retail coal dealers in Philadelphia and on the lines of our road have about forty years' experience in buying coal, and they understand it. They know our coal just as well as I do, and they will not have any but the best.

Q. State whether or not they order from particular veins and particular collieries, the qualities of which coal they know accurately by their own experience.

A. That is the way they do it. They order from collieries. They select the collieries themselves.

Q. State whether in your deliveries to the South and other points that you have spoken of you deliver generally the coal you mine without regard to any particular colliery or mine it comes from.

225 A. It is the surplus coal; different collieries mixed; different veins mixed together.

Q. State whether in case you went out of the business of selling coal in your territory, outside of Pennsylvania and the city of Philadelphia, that decreased production of the Coal and Iron Company would enable you at all to reduce the cost in general of the production of the Coal and Iron Company's coal, or whether the more coal you produce the lower you are able to produce it?

A. The more we produce of it the less the cost of production always.

Q. Then if you were not to sell this coal which you do sell in the territory outside of the city of Philadelphia and Pennsylvania, it would not thereby enable you to reduce the cost of coal in the State of Pennsylvania or the city of Philadelphia?

A. Not at all.

Q. State whether or not it is a fact, on the contrary, that the very ability which you have to sell this coal outside of the city of Philadelphia and the State of Pennsylvania enables you to mine coal and to sell it cheaper in Pennsylvania and the city of Philadelphia than you otherwise would be able to do?

A. As I stated before, the more we produce the less the cost of production, and if we did not sell more coal than the State of Pennsylvania required, the result would be we would either have to shut up some of the collieries or produce less, which would not pay at all. We contend always that the greater the production the less the cost. To increase the production it is necessary to go outside of Pennsylvania to sell it.

Q. And the people who buy in Pennsylvania have the benefit of the consequent reduction in that way?

A. Yes, sir.

By Mr. Dickson:

Q. How does the cost of anthracite coal compare with the cost of other fuels, looking to its efficiency for domestic use?

226 A. Bituminous coal is selling to-day, I think, at eighty cents a ton at the mine. The transportation companies charge two dollars per net ton delivered to Philadelphia. That would be three dollars and fifteen cents on 2,240 pounds. There is no size of ours it would compare with, but that is about what it would cost.

By Mr. Cassidy:

Q. They are not satisfied with that, are they, the bituminous coal people?

A. I should not think they were satisfied with that. Eighty cents a ton at the mines. That's too cheap to be remunerative to anybody.

By Mr. Dickson:

Q. My question related rather to the comparison of value for domestic purposes. Is it not the fact that there is a market for anthracite coal as far west as Dakota, throughout the region west of the Mississippi, in competition with bituminous coal near at hand, and yet they find anthracite coal so much more enduring and so much cleaner, that they are willing to pay three or four times as much as they would have to pay for bituminous coal?

A. There is a little demand for anthracite in that section of the country, but I really do not know what it is. It is not in my district, and I do not know the figures.

By Mr. Snodgrass:

Q. You say your territory as sales agent includes the State of Pennsylvania?

A. Yes, sir.

Q. You sell to all points along the main line of the Philadelphia and Reading Railroad Company, do you not?

A. Along the main line and their leased lines also—everywhere we can take coal by rail from Schuylkill Haven, the shipping point.

Q. The prices that you publish in your circulars are fixed as at Schuylkill Haven?

A. Yes, sir.

Q. Does that include line trade as well as city trade?

A. Yes, sir.

227 Q. Then the price at the place of sale is ascertained by adding the cost of transportation to the price fixed by you at Schuylkill Haven? Is that so?

A. I do not understand your question.

Q. Your prices are fixed as at Schuylkill Haven?

A. Yes, sir.

Q. Then the price for the line trade is fixed by [illegible] cost of transportation, as I understand it?

A. The cost of transportation; yes, sir.

Q. And that makes the price at Philadelphia what?

A. Four dollars and fifty cents per ton for stove coal.

Q. What does it make the price at Reading?

A. The tolls from Schuylkill Haven to Reading are one dollar and one cent, which would make it four dollars and one cent.

Q. So that you sell stove coal at Reading for four dollars and one cent a ton?

A. Yes, sir.

Q. Do you adhere to that rule throughout all your sales?

A. That is what we try to do. There may be an exception here and there, but we try to adhere to that rate.

Q. Where are your prices [illegible]?

A. I fix them from Mr. T. A. [illegible] circular. When he fixes his prices for the New York trade I fix [illegible] trade.

Q. So that it is not then the [illegible] Haven, but from some other point?

A. For the Southern trade [illegible] it is fixed f. o. b. Philadelphia.

Q. And that is not ascertained in the same [illegible] manner that you ascertain the other rates?

A. No, sir.

Q. What is the basis upon which [illegible] estimated?

A. It is regulated by the price of [illegible] York. Mr. Richards fixes his circular after he has had consultation with the [illegible] in New York. I issue mine from his figures.

228 Q. From whom do you get [illegible] transportation?

A. They are made by [illegible]'s agent.

Q. From what official do [illegible]

A. From the traffic man[illegible] Mr. Jones. The latter generally gives them to me.

Q. Who are the recei[illegible] of the [illegible] Coal and Iron Company to-day?

A. The receivers are [illegible] George [illegible] Mr. Stephen A. Caldwell, and Mr. Austin Corbin.

Q. Who are the receivers of the Philadelphia and Reading Railroad Company?

A. The same.

Q. Who is the president of the Philadelphia and Reading Coal and Iron Company?

A. No one has been elected yet. I do not think they have had their annual meeting yet. I have not heard of it.

Q. You say they have none?

A. I think there has been no one elected.

Mr. KAERCHER. Mr. Corbin was elected the other day.

By Mr. SNODGRASS:

Q. What other officers of the organizations, the Philadelphia and Reading Coal and Iron Company and the Philadelphia and Reading Railroad Company, are identical?

Mr. KAERCHER. Those are the only officers that are identical. The directors are not the same in the two companies now. They have been up to this year.

By Mr. SNODGRASS:

Q. Do you know who constitute the board of directors of the Philadelphia and Reading Coal and Iron Company?

A. No, sir; I do not know.

Q. Is there any difference in the rates of transportation of coal intended for Philadelphia consumption and that intended for shipment at Port Richmond?

A. I think I said that the transportation charged from the mines to Philadelphia on an average was one dollar and eighty cents a ton, and from the mines to Port Richmond for shipment was one dollar and sixty-seven cents a ton, a difference of thirteen cents.

229 Q. Do you ever sell delivered at Schuylkill Haven for trade outside of Philadelphia, beyond Philadelphia?

A. Yes, sir; we are selling now.

Q. I mean take, for instance, the Southern trade. Do you ever sell for the Southern trade instead of free on board at Schuylkill Haven?

A. Yes, sir; for Washington. Not south of Washington—Baltimore and Washington—nothing south of that. West of Washington we do. We sell on the Baltimore and Ohio Railroad as far as the Ohio River.

Q. Is there any difference in your prices between such sales and sales made for shipment to Philadelphia?

A. When we send coal to Washington by rail it is four dollars and seventy cents a ton.

Q. Where?

A. At Washington delivered in the cars.

Q. I understood you to say you sell it frequently delivered at Schuylkill Haven?

A. I am doing it now, but it is delivered tolls and all. It costs that.

Q. Do you mean to say then that when you sell it at Schuylkill Haven, it simply costs the difference between the cost of the transportation to Washington added to your price at Schuylkill Haven?

A. Added to our price at the mines. When we sell coal to Washington by rail we do not take it to Schuylkill Haven; we take it directly from the mines. It costs delivered from the mines to Washington four dollars and seventy cents a ton, white ash stove coal.

Q. So you do not sell it on the road at Schuylkill Haven, but at the mines?

A. At the mines.

Q. Is there a difference between the rate at the mines and the rate at Schuylkill Haven?

A. Thirty cents, as a usual thing, lateral tolls.

Q. That is intended to cover the lateral tolls?

A. Yes, sir.

Q. What is the transportation from the mines to Washington?

230 A. We get two dollars and seventy cents for it, the same as we can get by sending coal to Philadelphia.

Q. What is the rate of transportation from the mines to Washington?

A. The difference between four dollars and seventy cents and two dollars and seventy cents, two dollars a ton is the transportation from the mines to Washington.

Q. What is the cost of transportation from Schuylkill Haven to Philadelphia?

A. One dollar and fifty cents a ton.

Q. What is your price at Schuylkill Haven for coal to be shipped to Philadelphia?

A. Three dollars a ton for stove coal.

Q. And two dollars a ton for Washington trade?

A. No.

Q. I understood you to say it was two dollars at the mines and to that you added the transportation, which made four dollars and seventy cents to Washington?

A. It is the other way. The coal is two dollars and seventy cents at the mines.

By Mr. CASSIDY:

Q. One dollar and sixty-seven cents is for what?

A. One dollar and sixty-seven cents is the railroad charge from the mine for coal free on board here—one dollar and sixty-seven cents a ton on board at Port Richmond, f. o. b. for southern shipment—outside shipment.

Q. What did Mr. Jones mean in telling us it was one dollar and twenty-nine cents?

Mr. KAERCHER. He was not referring to the same thing. He was referring to New York and New England trade.

The WITNESS. Thirty-eight per cent. of the price of the coal is the railroad law with us. Four dollars f. o. b. would make one dollar and fifty-two cents for the railroad company from the mines, plus fifteen cents shipping expenses, making one dollar and sixty-seven cents f. o. b. that we have to pay the railroad company for every ton of coal we ship south, outside of the capes, beyond the capes of the Delaware.

By Mr. CASSIDY:

231 Q. As I understand it, that is for stove coal?

A. Only for stove coal.

Q. And for the same character of stove coal per ton for the city of Philadelphia it is how much?

A. Do you mean the price of the coal or the tolls?

Q. The tolls.

A. One dollar and fifty cents from Schuylkill Haven, or one dollar and eighty cents from the mines.

Q. Making the price of the same character of coal how much?

A. Four dollars and fifty cents a ton in Philadelphia.

Q. Four dollars and fifty cents for that to be sold in the city of Philadelphia, and how much for that to be sold outside the capes?

A. Four dollars f. o. b. at Port Richmond plus the freight to Charleston, or whatever the destination may be.

Q. Making four dollars and eighty cents in the case of Charleston?

A. Yes, sir; or five dollars to Savannah.

By Mr. SNODGRASS:

Q. Have you ever sold coal on a system of rebates anywhere?

A. Do I understand you to ask whether I have ever sold coal at less than circular price?

Q. No, not less than circular price. Whether you have ever sold with the agreement that there should be a rebate?

A. On what; on coal?

Q. On the sale?

A. No; no arrangement of that kind was ever made. We have sold below circular price. We do not propose to stick to the circular when we are able to sell the coal at those figures.

Q. But it is never done by rebate?

A. Oh, no.

Q. By repayment of any excess?

A. No, we sell, and we get all we can for it anywhere and everywhere, Pennsylvania, North Carolina, and South Carolina, and anywhere else. It makes no difference to us.

232 By Mr. KAERCHER:

Q. You spoke of one dollar and eighty cents from the mines to Philadelphia, deliveries, which you have testified were in average lots you would think of about five cars. What are the lowest tonnage lots that you deliver at Port Richmond?

A. Oh, we will deliver one single car, if necessary. We could deliver one car.

Q. What are the lowest lots which you deliver at Port Richmond?

A. Well, about a train.

Q. About how many tons?

A. About from one hundred to one hundred and thirty cars.

Q. That is, five tons to the car?

A. That is about what we estimate.

Q. That constitutes the usual delivery on which you charge one dollar and sixty-seven cents a ton dumped into the hold of the vessel?

A. Into the hold of the vessel.

Q. And the other deliveries on which one dollar and eighty cents is charged, were of the character to which you have testified in detail here this morning?

A. Puts it into a retail yard in Philadelphia.

(Mr. Snodgrass, on behalf of the Commonwealth, offers in evidence extracts from correspondence between Alfred Sully, Edward Lauterbach, Franklin B. Gowen, J. Pierpont Morgan, John Lowber Welsh, John C. Bullitt, and Austin Corbin, syndicate committee, relative to the organization of the Philadelphia and Reading Railroad Company, as follows:

THE BASIS OF AGREEMENT.

To FRANKLIN B. GOWEN, *President:*

DEAR SIR: Referring to the negotiations for a settlement of the Reading troubles we find that we can arrange the matter upon the following basis:

First. The present syndicate to be enlarged by $4,000,000 additional subscription,
233 to be placed by Messrs. Sully and Lauterbach, the names and amounts of each
subscription to be approved by Mr. J. Pierpoint Morgan and Mr. Jesse Seligman, the latter of whom is to take the place of Mr. Austin Corbin as representative of the new subscribers in the management of the syndicate. The corporation of the syndicate to be increased proportionately to the increase of subscriptions.

Second. The reconstruction trustees to be increased to thirteen members by the addition of Alfred Sully, R. D. Dow, John Wanamaker, and Charles L. Borie, and to make such changes in the plan of reorganization as said trustees may think fit, provided the following changes shall be made:

(*a*) The plan to provide for reorganization without foreclosure by dealing with every obligation and security of the company.

(*b*) Mortgage to be given to secure the bonds to be issued in lieu of preferred stock in the present plan, and subsequent mortgage to be given to secure the bonds issued for present junior mortgage bonds. The bonds issued in lieu of the preferred stock in the present plan to have the right to vote if such vote can be legally given without affecting the charter of the company.

(*c*) The executive committee of the reconstruction trustees to be increased to six by the addition of Alfred Sully.

(*d*) After changes in the plan have been made at least sixty days to be given to the creditors. If at the end of that time no such acceptances are secured, then reorganization to take place by foreclosure, and only for the benefit of those who have accepted, and the plan under foreclosure may be prepared by the reconstruction trustees as an alternative plan and issued at the same time as the other for the information of the security holders and to secure holders to accept its provisions. No foreclosure shall take place, provided security holders sufficient in amount to satisfy the reconstruction trustees accept the provisions of the plan within the prescribed time.

(*e*) The voting trust to be for five years, and to consist of five persons, of whom
234 four shall be Mr. J. Pierpont Morgan, John Lowber Welsh, Henry Lewis, and John Wanamaker, which four shall select a fifth, who shall be satisfactory both to the syndicate and the reconstruction trustees.

Third. Any changes in the plan other than those herein above provided for shall be subject to the approval of the syndicate.

Fourth. A united effort to be made by the company, the reconstruction trustees, and the syndicate to secure the immediate appointment of Austin Corbin as an additional receiver, and if Mr. Corbin will take the position and legally qualify himself to fill it (if so understood) that the presidency of the company shall be offered to him. It is of course understood the words syndicate and reorganization trustees being used when referring to any future action to be taken by either apply to the enlarged syndicate and enlarged board of reorganization trustees.

ALFRED SULLY.
EDWARD LAUTERBACH.

NEW YORK.

PRESIDENT GOWEN'S LETTER OF RESIGNATION.

Messrs. ALFRED SULLY and EDWARD LAUTERBACH:

GENTLEMEN: I have your favor of to-day's date, and am willing to adjust all differences upon the basis therein proposed. I think the junior securities and shareholders of the company should be greatly indebted to you, and are to be congratulated upon the success of your negotiations, which will not only protect their great property from the danger of foreclosure but preserve their proper status in the corporation. I had no other object in taking the presidency last January than to secure these results, and only consented to hold the position until reorganization was accomplished. I can not doubt that with the adoption by the syndicate of the new plan of reorganization the work is practically done, and, therefore, in order to carry out my pledge, and as an effectual answer to the charge that my desire to retain the presidency prevented an agreement upon the form of the plan of reorganization, I
235 herewith inclose you my formal resignation as president of the company, to be presented and take effect upon the acceptance by the reorganization trustees of the alterations and changes contained in your letter. I need scarcely add that I shall gladly aid the reorganization trustees in every way in carrying into effect their efforts to place the Reading Company on a sound financial basis. I trust most earnestly that Mr. Corbin may be induced to become my successor in the presidency, as, apart from his acknowledged ability, my personal relations with him are such as will make it a pleasure to me to give him a very loyal support.

F. B. GOWEN.

THE SYNDICATE'S ACCEPTANCE.

Messrs. ALFRED SULLY and EDWARD LAUTERBACH:

I have read your correspondence of this date with Mr. Gowen and personally approve of and accept the plan for the adjustment of Reading Railroad affairs therein set forth, and will do my utmost to carry the same into effect.

J. PIERPONT MORGAN.

NEW YORK.

PHILADELPHIA, *September 18, 1886.*

JOHN B. GARRETT, Esq.,
Chairman Reconstruction Trustees Philadelphia and Reading Railroad:

DEAR SIR: We inclose the following correspondence:

First. Copy of letter of Alfred Sully and Edward Lauterbach addressed to Franklin B. Gowen, president.

Second. Copy of letter of Franklin B. Gowen to Alfred Sully and Edward Lauterbach.

Third. Copy of letter of J. P. Morgan to Alfred Sully and Edward Lauterbach, dated September 17, 1886.

On behalf of the syndicate we submit to your board the propositions for an adjustment contained in this correspondence, having already agreed to accept these propositions on behalf of the syndicate, and we would officially ask that your board 236 shall accept the alterations and changes contained in the letter addressed by Alfred Sully and Edward Lauterbach to Franklin B. Gowen, a copy of which is inclosed as above.

Yours, truly,

J. PIERPONT MORGAN, per J. L. W.,
JOHN LOWBER WELSH,
JOHN C. BULLITT,
AUSTIN CORBIN, per J. L. W.,
Syndicate Committee.

OFFICIAL NOTICE OF ACCEPTANCE.

PHILADELPHIA, *September* 18, 1886.

J. PIERPONT MORGAN, Esq., and others,
Syndicate Committee:

GENTLEMEN: I am directed by the board of reconstruction trustees of the Philadelphia and Reading Railroad and Coal and Iron Companies to inform you that at a meeting of the board held this day your letter of even date was read with the accompanying papers as follows:

First. Copy of a letter of Alfred Sully and Edward Lauterbach, addressed to Franklin B. Gowen, president.

Second. Copy of a letter from Franklin B. Gowen to Alfred Sully and Edward Lauterbach.

Third. Copy of a letter from J. P. Morgan to Alfred Sully and Edward Lauterbach of September 17, and that the various modifications of the pending plan for reconstruction therein submitted have been accepted, and the board and its executive committee increased by the addition of the several gentlemen proposed.

Yours, truly,

JOHN B. GARRETT,
Chairman Reconstruction Trustees.

JOHN L. BUTLER, having been duly affirmed, was examined as follows:

By Mr CASSIDY:

Q. What is your present position in the department of internal affairs?

A. I am a clerk in the department of internal affairs, acting as statistician in the bureau of statistics in that department,

237 Q. How long have you been in the bureau continuously?

A. Since May, 1883.

Q, And what is it a part of your duty to do in relation to statistics?

A. To prepare the statistics on anthracite coal.

Q. What is your method of procedure to get those statistics?

A. We prepare a blank. The chief of the bureau, Mr. McCamant, and myself prepare a blank.

Q. You have a form of blank here, have you not?

A. Yes, sir.

Q. (Paper shown witness.) Is that it?

A. That is the one; yes, sir.

(Blank referred to, marked "Exhibit E. B. M., J. I. C., Examiners," is as follows:

FORM A.

J. SIMPSON AFRICA,
Secretary of Internal Affairs.

JOEL B. MCCAMANT,
Chief of Bureau.

ANTHRACITE COAL.

COMMONWEALTH OF PENNSYLVANIA.

Department of Internal Affairs—Bureau of Industrial Statistics.

HARRISBURG, Pa., *January* 1, 1886.

You are respectfully requested to return this blank in the enclosed stamped envelope, with answers to each of the questions propounded, within thirty days from the date hereof, *for the year ending December* 31, 1885. There will be no publicity given to statements made by individuals or firms, as the aggregate by counties only will be published. We, therefore, hope there will be no hesitancy in furnishing the desired information, and returning the blank as early as possible.

The law provides that any corporation, firm, or individual, doing business within this Commonwealth, who shall fail to answer questions by circular, will be subject to a penalty of one hundred dollars, and their books will be liable to inspection by the chief, or his duly authorized deputy.

JOEL B. McCAMANT,
Chief of Bureau.

238 1st. Number and name of collieries operated.

2d. If located in two or more counties, state the counties and reply specifically for each county.

3d. Name of firm or individual.

4th. Number of days in operation.

5th. Total number of persons employed.

6th. Amount paid in wages during the year.

7th. Value of material consumed.

8th. Number of tons of coal produced during the year.

9th. Value of product.

10th. Classify number of employés with their daily wages, as follows:

Occupations (inside).	Average number employed.	Daily wages.	Occupations (outside).	Average number employed.	Daily wages.
Miners on contract			Engineers		
Miners on wages			Firemen		
Laborers (miners)			Blacksmiths		
Company men			Carpenters		
Drivers and runners			Laborers		
Door boys			Slate picker boss		
All others			Slate pickers, boys		
			All others		

N. B.—If full returns have been made on another blank, state the fact with number of blank and return this. All blanks are the property of the Commonwealth, and must be returned within thirty days.

I certify the above is a correct statement.

Signed, ——— ———.

P. O. or street No. ———. County, ———.

EXHIBIT.

E. B. M.,
J. I. C.,
Examiners.

239 On the back of above blank is as follows:

No.
ANTHRACITE COAL.

The opinion of Deputy Attorney-General Snodgrass defining the statute of May 11, 1884, is as follows:

In reply to your communication inquiring whether the act of May 11, 1874, "empowers the chief or the deputy to issue a subpœna to compel the production of books and papers where statistical information is refused or withheld," I beg to say that I am clearly of the opinion that such power is conferred by the said act. The fourth section provides that "the chief or duly authorized deputy shall have power to issue subpœnas, administer oaths, and take testimony in all matters relating to the duties herein required of said bureau." This language is certainly broad enough to cover a subpœna *duces tecum* for the production of books and papers as well as process to compel the attendance of the witness himself. Your power is as broad in the one case as in the other, and in either case is, in my opinion, not open to question or doubt.

ROBERT SNODGRASS,
Deputy Attorney-General of Pennsylvania.

REMARKS.

NOTE.—Any remarks that may be deemed essential insert under this head and return the blank whether the establishment is in operation or not; and in case of a change of operators please hand over to your successor.

Q. You send out copies of these blanks, do you?

A. Yes, sir.

240 Q. To whom?

A. To the coal operators.

Q. And you get from them, I assume, returns, do you?

A. Yes, sir.

Q. Among others you get returns from Mr. John H. Jones, the accountant for the Philadelphia and Reading Company?

A. We get returns from Mr. John H. Jones, but his returns come to us as a matter of private courtesy. We do not ask him for anything.

Q. The fact is you get them?

A. Yes, sir.

Q. Did you make up statistics from that information?

A. We never made any statistics from the information furnished us by Mr. Jones.

Q. You did, however, make up statistics?

A. We made up statistics from information, by the operators, however, and compared them with his.

Q. For the years 1882, 1883, 1884, and 1885?

A. 1883, 1884, and 1885. 1886 will not be out before April.

Q. Look at that and see whether those are the statistics made up by you for those respective years, and read them off.

(Paper shown witness.)

A. I will say for the year 1882 that those statistics were originally prepared by our predecessors for 1882. We went in in 1883.

Q. The books show?

A. The books are there in the office, yes, and they show for it.

Q. They are taken from these records?

A. Yes, sir.

1882.		1884.	
Persons employed	80, 589	Persons employed	83, 316
Days worked	227	Days worked	185
Total annual wages	$32, 740, 943	Total annual wages	$29, 906, 262
Tons of coal produced	29, 298, 784	Tons of coal produced	25, 651, 664
241 1883.		1885.	
Persons employed	87, 308	Persons employed	94, 805
Days worked	221	Days worked	196
Total annual wages	$33, 597, 252	Total annual wages	$32, 918, 642
Tons of coal produced	30, 154, 546	Tons of coal produced	31, 711, 659

Q. 1886 you are unable to give us?

A. It is not in there.

Q. Have you any knowledge that enables you to say whether the number of days and the aggregate wages for 1886 will be equal to or exceed those of 1885?

A. Well, from information that I have received I should judge not.

Q. You think it will not exceed it?

A. I do not think it will.

Q. Do you make a schedule of wages for each person employed during the years 1882, 1883, 1884, and 1885, and if so, look at that and say whether that is correct, and if so, read it?

A. Yes, sir. Of course this means, understand, if the annual wages were divided share and share alike among all the employés. The annual wages for 1882 would have been $394, or about $7.58 per week. For 1883 the annual wages would have been $386, or about $7.40 a week. For 1884 the annual wages would have been about $358, or $6.90 a week. For 1885 they would have been $336, or $6.47 a week.

242 Q. Do the returns to you for 1884 and 1885 show the progress of collieries, whether they were working or whether they were abandoned?

A. Within these two years, I don't remember the number now but I stated it there from the returns on that paper, there were collieries abandoned. There were some that were transferred to the Reading Company and one I think was transferred to the Delaware, Lackawanna and Western.

Q. Can you say whether it was twenty-four or twenty-five collieries that were abandoned?

A. I think about twenty-five.

Q. That was in the years 1884 and 1885?

A. Yes, sir.

Q. That is abandoned by individual operators?

A. Yes, sir.

Q. I think I asked you whether in this matter you refer entirely to anthracite coal?

A. Yes, sir.

CROSS-EXAMINATION.

By Mr. WOLVERTON:

Q. In what manner do you obtain the information for the bureau of statistics? Explain the manner of obtaining the information for the bureau?

A. We take these blanks that are in evidence, a blank like that [indicating] and mail it to the operators. In the first place we make out a list of the operators throughout the anthracite region, and then on the first day of January we mail to each operator one of these blanks, and under the law they are allowed thirty days in which to make answer, and when the blanks come in we tabulate the blanks.

Q. You send one of these blanks to each operator that you know of in the region?

A. Yes, sir.

Q. In what manner do you obtain the number of operators?

243 A. From the anthracite inspectors' reports, largely, and then whenever we find out there is a new operator we send. Sometimes we send a blank to a man that we hear is operating and the answer comes back that he is not.

Q. The results that you have given us arise from tabulating the statements furnished by all the operators?

A. Yes; all that we can reach.

Q. And not from information from Mr. Jones as statistician?

A. No, sir.

Q. Are all these statements that you have given and these results contained in an official document published by the State of Pennsylvania?

A. No; not exactly. The number of days worked, the men employed, the tons produced, and the annual wages is contained, and in 1884 I think our report shows the annual wages and the weekly wages, too; I am pretty sure it does.

Q. State what documents contain the information for the year that you have given us.

A. The bureau of industrial statistics reports, department of internal affairs, part third.

Q. The report of the secretary of internal affairs, part 3, of the bureau of industrial statistics for 1883, 1884, and 1885, contains this information?

A. Yes, sir.

Q. It contains similar information as to all other industries, does it not, as well as coal?

A. Well, I do not know that it does all industries, but pretty nearly all.

Q. All so far as you could obtain them?

A. Yes, sir; it has in the oil, the iron, bituminous coal, lumber, leather, boot and shoe industries, textile fabrics, slate.

Q. And the statements, as I understand, that you have given on the request of the attorney-general, are taken from these books that you have named?

A. Yes, sir.

Q. In the rate of wages per diem that you have given, have you separated the slate pickers or boys from the miners?

A. I think I did in the affidavit, although I was not asked that question on examination-in-chief.

244 Q. I have not seen the affidavit nor read any portion of it, but I ask you in what you have given in your answers to the attorney-general's questions have you, in stating the price of wages per diem, separated the wages of slate-pickers from those of miners?

A. Yes, sir; I have. Those wages that I read, understand, had reference solely to the division of the aggregate annual wages among all employes, regardless of what their occupations were.

By Mr. SCOTT:

Q. Where did you read them from?

A. From my affidavit.

Q. Can you give them from memory without that?

A. It is impossible, I think. We have care of and so many wages, that I do not think I would

By Mr. WOLVERTON:

Q. Does not that include thousands of boys under the age of fifteen years?

A. I will state that from the best information we can receive of the total number of employés in and about an anthracite coal mine, about one-fourth are miners and about one-fifth are slate-pickers, and the rest are divided up among company men, firemen, engineers, &c.

Q. All kinds of labor employed in and about a mine?

A. Yes, sir. The miner proper will average, when he is employed, about two dollars and two dollars and twenty-five cents a day, and some returns show wages as high as three dollars. But a fair average is about two dollars and twenty-five cents for a miner. That is, on contract.

Q. Do the official records, published by authority of law and from which you have taken the data you have given us, give this all in detail?

A. Yes, sir.

Q. They show the number of boys, the number of men, the number of miners, and all in detail?

A. Yes, sir.

Q. Employed at the mine?

245 A. Yes, sir.

Q. Then would not those records or official documents be the best evidence on this subject?

A. It is not for me to say.

Q. I insist on asking the quest books from which you have taken your data do not give this more sa in detail than what you can state here from memory?

A. Well, I do not know that it would; no, sir. I do not think that it would. Not what I have stated.

Q. You have given us nothing have taken it from a memorandum made by you, which was taken nts.

A. I understood you at the question in regard to a particular line of occupation. If you a this way, How much does a miner or slate picker get? I can answer without referring to any book.

Q. I ask you this question: This is all secondary to you; that is, taken from reports made to you, and those contained in the official documents?

A. I make that report. That is, that p t.

Q. You make it from evidence produced from others?

A. From the operators; yes, sir.

Q. Now, you endeavor to tabulate that in such a form as to give the information best to the people, and in detail, do you not?

A. Yes, sir.

Q. I ask you now whether those official documents prepared for the information of the people are not the best evidence of the number of men employed, the wages received, and the kind of labor employed at the mines?

A. I will answer that question in this way: It is possible that I may have drawn deductions from those books and put them in that affidavit that I did not do, understand, when I prepared the work for publication. I do not mean that I drew any deduction that would contradict what was published, but I may have put in new matter in the affidavit.

246 Q. I am not asking you about an affidavit, because none has been offered by the attorney-general or anybody. You are examined as a witness. I believe the attorney-general referred you to some paper to refresh your recollection as to certain figures that you made, but all of the figures which you made on any paper have been made from information furnished by others to your department.

A. Yes, sir; every particle of it.

Q. And you have no personal knowledge of your own?

A. Not a bit.

Q. You put that information contained in these official documents in the best form to convey to the public information on the subject?

A. I put it in the best form that I can think of at the time.

Q. The mine inspectors' reports are published by authority of law, are they not?

A. They are.

Q. Were the reports made officially and published at the expense of the State for 1883, 1884, and 1885?

A. The mine inspectors'?

Q. Yes.

A. I never paid any attention to their reports, and for this reason: That under the law the bituminous inspectors were to report to our bureau. The anthracite mine inspectors did not report to our bureau. Last year was the first year that they reported, and there was such a lack of uniformity in their blanks that I could not make any head or tail out of them, and we had a meeting. Mr. McCamant, the chief of the bureau, called a meeting of the mine inspectors, anthracite and bituminious, and they met in the bureau of statistics office, all the anthracite inspectors with the exception of one, and there we made arrangements to have a uniform system of blanks, so that hereafter the anthracite miners would answer intelligibly. Heretofore everybody was answering on his own individual hook, and we could not make any hook or crook out of it.

247 Q. You can not testify from recollection or in any manner except from reference to these official documents as to how many boys or miners were employed?

A. No, sir.

Q. So on that subject and on the subject of wages for miners, the book which you have compiled is the best evidence?

A. I should say it was the best evidence. I will say that I made that by the book.

Q. Those books were made at the time, were they not?

A. They were made at the time.

Q. And you do not pretend to recollect what they contain?

A. I pretend to recollect something that they contain. For instance, I can recollect that the average wages paid to the miners on contract was two dollars and twenty-five cents, and the average paid to the slate picker was about sixty-seven cents, and that the miner will average about one hundred and eighty-five days out of a possible three hundred and seven.

Q. What year are you speaking of now?

A. In 1884 he averaged one hundred and eighty-five days, and in 1885 he averaged one hundred and ninety-six days.

Q. The tabulated forms contained in these books are correct, are they?

A. We try to make them so.

By Mr. KAERCHER:

Q. You stated that certain of these collieries were abandoned. Do you know for what occasion or what cause?

A. Well, there were different answers. In some answers the substance of them was simply that there was a dullness in trade; no demand. The answers were varying, and I could not begin to give them.

Q. Some were on fire, were they not?

A. No; we did not get any reports of that kind. There were some on fire, but we did not get any reports of that kind. They were abandoned.

Q. Some were filled with water, or drowned out?

A. Not these that I have reference to; no, sir.

Q. You know that is the fact?

A. I know it is a fact that collieries were on fire and collieries were flooded out.

248 Q. Do you not know that there were collieries crushed in?

A. I know that was a fact. That fact has nothing to do with what I state. I am talking now about collieries that were abandoned, but collieries that were abandoned permanently; that is, given up.

Q. Were they worked out?

A. Some of them were worked out. With some of them the trade was too bad; there was no money in it.

Q. Do you know whether or not they were properly or improperly abandoned?

A. I do not know anything about it. As there were no statistics in the matter, they mined no coal and employed no men; that answered our question, and, of course, we dropped it.

Q. And that is all you can say about it?

A. That is all.

Q. But you do know that there were collieries in the mining region during that time that were not abandoned and were not working for the causes I have stated?

A. I have knowledge, as I stated, from operators to whom we sent blanks.

Q. Do you know whether some of these collieries were abandoned because of the expiration of the leases that the persons had upon them?

A. There were some that were transferred to the Reading on that account.

Q. Answer my question. Do you not know that there a number of the collieries of the coal and iron company, the leases of which expired during those years, and that the coal and iron company resumed possession of their property?

A. I do not know.

Q. Would your returns show that fact, if that were the fact?

A. They ought to, but I have no recollection that they do.

Q. Do you not know that in the western part of Schuylkill County the leases of the collieries expired and that the Reading Coal and Iron Company took possession of them?

249 A. Wait a minute. We do not get that information in that way; we get it in this way: For instance, we send a blank to John Jones, the operator, and in 1885, we will say, he sends a report. We send him another blank, and in 1886 he simply answers that blank by stating, "Out of the business; transferred to the Philadelphia and Reading," or "The Delaware and Lackawanna." Now, we do not follow that up; we drop it.

Q. Do you not know it to be the fact that in respect to twenty-four or twenty-five of these collieries which you speak of as abandoned by the persons operating them under leases, that a number of them simply ceased to be operated by the lessee by reason of the expiration of his contract, but they have been continued to be operated by the landlord or by other persons ?

A. I do not know that as a fact, and for this reason, that besides twenty-five collieries reported there were other collieries, seven or more, that were reported just in the manner you state—that they were transferred. These twenty-five collieries were not reported in that way. The question of transfer was not mentioned.

By Mr. Scott:

Q. For the purpose of knowing the value of your statistics, I want to ask: You undertook to give the production and the wages, as I understood, for the years 1882, 1883, 1884, and 1885 ?

A. Yes, sir.

Q. You also stated that for several years the anthracite inspectors, if I understood you properly, made no report, and that you had to resort to a convention to get a form which would secure accurate information ?

A. You did not understand me correctly.

Q. What was the statement ?

A. My statement was this: The bituminous mine inspectors under the law of the State are obliged to report to the department of internal affairs and their reports come to our bureau. The anthracite mine inspectors were not required to report to our bureau. I do not know whether they reported to the governor, or who they
250 reported to, but they made out a report. It did not come into our hands as an official document. When I had occasion I used to refer to it for the purpose of finding out the names of operators, but for the purpose of finding out production they had no uniform system in their preparation of blanks, and I could not make any head or tail out of them. Now, what I stated was this: Mr. McCamant, the chief of the bureau, notified the anthracite mine inspectors and the bituminous mine inspectors to meet at the office of the bureau; I think it was last spring; I do not know; it was in June; I forget now just the time, 1886 sometime, to meet there. They did meet; all the anthracite inspectors with the exception of one. I think Mr. Bluett, who, I think, did not come, and all the bituminous inspectors were there, and it was agreed then that they would have a uniform system of blank prepared. For instance, under the old system of blanks as reported on by the anthracite inspectors, one inspector would report the number of days worked in a breaker, and another anthracite inspector would report the number of days worked in the mines. Now, there may be work in the breaker when they are not working in the mines, and we could not make the average out of such a statement as that.

Q. And you say that this convention of bituminous and anthracite inspectors met in June, 1886 ?

A. Yes, sir. I won't say that it was June, I am not sure about the month, but about that time.

Q In 1886 ?

A. Yes, sir.

Q. Are the anthracite inspectors now required by law to make that report ?

A. Yes, sir; they are.

Q. Since when ?

A. Since the last session of the legislature.

Q. That was in 1885 ?

A. Yes, sir; in 1885.

Q. Where did you get the statistics from prior to that time upon which you based the wages, production, and the other items embraced in your statistics for the anthracite trade ?

A. From the operators.

251 Q. From the operators only ?

A. Yes, sir; and from any employé, too.

Q. Were they required by any act of assembly to make answer to your inquiries ?

A. Yes, sir.

Q. And they made them in pursuance of that ?

A. They did.

Q. Do the reports which the anthracite inspectors have made since enable you to give more accurate statistics than those which you made before 1886 ?

A. No, sir.

Q. Then you consider the statistics which were made prior to 1886, on the subject of wages, production, and all other items contained in them as reliable as those made since 1886, do you?

A. We have had no reports of 1886.

Q. Will you please answer that question?

A. I am answering it. You say since 1886. I say we have no reports since 1886.

Q. You have statistics in 1886?

A. No, sir.

Q. None whatever?

A. No, sir.

Q. You get none until the end of the year?

A. We send out our blanks on the first of January, 1887, for 1886.

Q. I wish to get your mode of doing it. Do you get the report of the whole year for production, wages, and everything else in an annual report from the operators, or do you send out at stated periods?

A. We get one annual report; for instance, the report for the full year up to the 31st, and including the 31st of December. For instance, the blank circular we would send out on the 1st of January, 1887, would embrace all the production for 1886, from the first day of January to the thirty-first day of December.

252 Q. Then do you get in that report from the operator his average of the wages that he has paid during the year, or do you get him to make a statement of the wages for each month and make your own average. How do you arrive at it?

A. There are on the blank the names of the different classes of workmen, miners on contract, miners on wages, slate pickers, company men, engineers, firemen, &c., with the question "average daily wages." The operator answers both those questions.

Q. He gives you the average then of each class for the whole year?

A. Yes, daily wages.

Q. So that is his statement of the average and not your average from monthly or other periodical statements?

A. His statement refers solely to the daily wages just as they are employed, and we take it just as he gives it. Then we make another average counting lost time.

Q. Then your average puts the average for every day in the year and not for the days that he actually works?

A. We give both.

Q. Which average is the one that you have given us here?

A. I have given you both.

Q. I only got the one. In order to get at it, take the year 1885, as you are now testifying from recollection, and tell me how many classes of workmen there were in those mines?

A. Well, there were miners on contract and miners.

Q. What was their average per day?

A. Miners on contract received higher wages than miners.

Q. What was their average?

A. The average of the miners on contract would be about two dollars and twenty-five cents per day when employed.

Q. That was for the year 1885?

A. Yes, sir.

Q. Give us the next class.

A. Miners on wages about two dollars.

Q. Slate pickers?

A. Slate pickers about sixty-seven cents.

Q. For the time employed?

A. Yes, sir. They run from fifty to seventy-five cents according to age and ability.

253 Q. Were there hands on the breaker that were reported to you also?

A. Company men?

Q. You call them company men?

A. Yes, sir.

Q. Can you give their average for 1885?

A. The common laborers ran from about one dollar and twenty-five cents, and I think the others ran from about one dollar and forty-five cents to one dollar and seventy-five cents.

Q. For the days employed?

A. Yes, sir.

Q. How many days in the year did they average?

A. In 1885 about one hundred and ninety-six.

Q. How does that year compare with the previous years?

A. In 1884 they averaged one hundred and eighty-five days. There was a little increase in the number of days.

By Mr. Dickson:

Q. How many days do you take as possible working days in the year?

A. Three hundred and seven.

Q. In point of fact, are there so many in the anthracite regions?

A. No, sir.

Q. I mean are there so many possible? Do they not have stoppages from bad weather in the winter season, and matters of that kind?

A. I do not know. We simply throw out possible holidays and Sundays only.

Q. You only throw out the legal holidays?

A. That is all; yes, sir.

Q. Do they not have a great many other holidays which they are very careful to keep?

A. I do not know of any.

Q. Do you not know of other holidays which they do keep?

A. I do not.

Q. And then that the mines are suspended by reason of floods and other interferences of that kind?

254 A. When we give the statement as to the number of days employed, it makes no difference to us from what cause it arose, understand, so far as the question of wages is concerned. We try to find out just about what these men will average in the year. We are not blaming anybody, either the employer or employé. We simply want to state the facts.

Q. And do your statistics show how many days they have been stopped by order from the employers?

A. No, sir.

Q. And you can not say how many days stoppage have been the result of action on the part of the employer and how many the result of action on the part of the employé?

A. I will state it in this way: The question is put direct to the employer, "Average number of days worked by his men," and he answers the question so many days.

Q. There is, of course, a variety of answers that you get. They do not all give you the same number of days?

A. Oh, no. Some run up as high as two hundred and twenty-one days in the year.

Q. Some collieries?

A. Yes, sir. They differ, you know, of course. The average in some counties is higher than others.

Q. There may be accidents to the collieries, which of course there would be no explanation given to you for except that they only worked the number of days which they answer?

A. There are various causes why they do not work.

Q. And if you had a case where a colliery had been drowned out or burned that would lower the average of that region or that county?

A. It would certainly lower the man's wages when he was not working.

Q. And it would lower the average in your return?

A. It would lower the average for the collieries.

Q. Do you happen to recollect or know of the fact that there were collieries drowned out last winter in the Hazleton region which were not recovered for nearly the entire year?

A. When were they drowned out?

Q. Do you know the fact that they were drowned out?

A. I do not, no. I may have heard of it, but it has not been reported to us yet.

255 Q. And your statistics would not show anything of that kind?

A. If you will tell me when it happened I can answer your question. If it happened in 1885 our statistics would show it.

Q. If it happened in 1886 would you know anything about it?

A. They are not prepared yet; not in.

Q. And you have no other information than that which you get from the reports made to you? You do not keep yourself informed as to the condition of the trade in such a way as to be able to answer from other information, but only from the statistics which come into your department?

A. And from the operators and employés.

Q. Can you give from memory the output for the different years, 1883, 1884, and 1885?

A. No, sir. It runs from 30,000,000 down to 25,000,000, and then up to 30,000,000 or 31,000,000.

Q. I was going to ask you to look again at the figures that you gave for the year 1884 and state whether you think those are correct?

A. I know in 1884 the production as returned to us was about 25,000,000 tons, but I am not sure; 25,561,664 tons.

Q. Do you think that is correct?

A. I have no reason to think it is not.

Q. Did you ever observe as great a discrepancy between two years as a falling off from 30,000,000 tons in 1883 to 25,000,000 tons in 1884, and an increase of from 25,000,000 tons in 1884 to 31,000,000 tons in 1885?

A. I did before the report came out. My attention was called to it.

Q. Did you address Mr. Jones on the subject and get the figures at all?

A. I did not, certainly. We had Mr. Jones's figures. Mr. Jones's figures were higher than ours, but we did not consider Mr. Jones had any better way of arriving at the figures than we had. We thought the State was about as competent as Mr. Jones.

256 Q. Then I understand you to say that the restriction which was complained of in the year 1885 increased the output of coal over 6,000,000 tons?

A. I have not been complaining of any restriction.

Q. You say that the Commonwealth complained?

A. I don't know anything about what they complained of.

Q. They do complain of a restriction in 1885 over 1884, and that restriction, according to your figures, shows an increase of over 6,000,000 tons?

A. It is a matter of argument. I know nothing about it.

By Mr. SNODGRASS:

Q. What do you mean by a contract miner?

A. A miner that digs by the yard or ton as distinguished from a miner who digs for so much a day.

Q. He has a helper, has he not?

A. Yes, sir.

Q. Who pays that laborer or helper?

A. The miner on contract pays him.

Q. So that when you speak of the wages of a contract miner you include those of the man paid as a helper?

A. That is the understanding.

By Mr. DICKSON:

Q. How many laborers does the miner employ?

A. About one.

Q. And you mean to say that two men only get two dollars and twenty-five cents on an average?

A. I do not mean to say anything about it. I only state this: that that is the report made to the bureau by the operators, and if they do not tell the truth I am not responsible.

Q. They give that to you as the report of the wages paid to the miner and his helper?

A. Not at all. I do not state that at all. I state this: that the statistics show that the average daily wages of the miner on contract when employed is about two dollars and twenty-five cents, and some get as high as three dollars.

Q. Have you not just said to the assistant attorney-general that out of that two dollars and twenty-five cents the miner pays the wages of his laborer?

A. I did not say he paid them out of the two dollars and twenty-five cents. I say he does pay the laborer.

257 Q. Does he pay it out of the two dollars and twenty-five cents, or is the two dollars and twenty-five cents left to him?

A. What I understand is this: that the miner on contract employs a laborer to assist him and that he pays that laborer.

Q. But the question is whether he nets two dollars and twenty-five cents, or whether he pays the laborer out of the two dollars and twenty-five cents. That you do not know?

A. I do not know whether he nets two dollars and twenty-five cents or not. I presume that he nets two dollars and twenty-five cents, if the miner on wages nets two dollars. That is, if he works.

By Mr. OLMSTED:

Q. It is charged in the attorney-general's bill that on or about the 13th of December, 1884, an agreement was made between the coal producers whereby the production for 1885 was restricted. If I understand your figures correctly the production for 1885, instead of being reduced was increased over 6,000,000 tons over and above the production for 1884. Is that correct?

A. That is reported to our bureau.

By Mr. CASSIDY:

Q. You do not know whether there was a combination made or not?

A. I do not know anything at all about it.

Adjourned until Saturday, January 15, 1887, at 10 o'clock a. m., at Parlor C, Continental Hotel.

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